Daily Report

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FBIS-EEU-91-072 *15 April 1991*

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Policy Conference Delegates Interviewed

LD0804213691 Budapest Domestic Service in Hungarian 1630 GMT 8 Apr 91

[Excerpts] A conference dealing with military-security policy issues ended today in Budapest. Its title was: Feelings of Danger in Eastern Europe. Peter Zentay spoke with some noted participants in the conference.

[Zentay] Has the security of Central and Eastern Europe been endangered in the wake of the fall of the socialist regimes in eastern Europe? [passage omitted] Even if the statement that there is a state of danger in Eastern-Central Europe is overly daring, the conclusion can be risked that we have a feeling of danger. It is not by chance that this title—Feelings of Danger in Eastern Europe—was given by the Academy of Sciences' Peace and Security Research Institute to an international conference that ended today. Its participants included political scientists, military experts and international law experts from the Soviet Union, several European countries, and the United States. [passage omitted] I turned to two noted participants, to whom I mentioned my feelings of danger, not only in generalities, but also in concrete terms.

I initially asked (Ion Pancu), security policy and foreign political adviser to Romanian President Iliescu, whether his country's government is afraid, concerned, that the Hungarians, the Czechs and the Poles are trying, without the Romanians, to group themselves in regional integration.

(Pancu) considers what is happening to be understandable. He said: In the wake of the disappearance of the Warsaw Pact and CEMA, the intention to create new structures is natural. Poland, Czechoslovakia, and Hungary rightly wish to strengthen the traditional ties that link them, and in the meantime, all three also want to be part of the large European integration, too.

I myself, says the adviser to the Romanian president, believe in an institutionalized Europe in which the smaller, cooperating groups are also embedded. Otherwise, things depend not on what these three countries are doing, but rather on what the already existing West European integration thinks of them. And my conviction is that the countries are classified, each separately, in accordance with their individual merits—thus on the basis of the development of their economy or the wealth of their natural assets.

Since I feel that I was not given a concrete reply by Mr. Pancu, I probed further as to whether Romania feels a bitter taste in the mouth because of having been left out of something. Well, Ion Pancu says to this that inasmuch as words and deeds really coincide, there is no cause for Romania to worry. Of course, it is another question, he continues, that Hungary, in words, has always advocated Romania's membership in the Council of Europe, while at the same time when a vote was taken, Budapest abstained. It is not, after all, easy to understand these things, my partner in conversation said somewhat bitterly. To this, I refer to the explanation for the Hungarian conduct, notably that there is a great lack of clarity regarding the Magyar minority in Romania, and it is not clear whether Bucharest senses that this issue, from the viewpoint of Hungary, is a feeling of danger.

Ion Pancu states, on behalf of President Iliescu, too, that in Romania they are very aware of the Hungarian concerns, and they do not wish to avoid, in the slightest, a discussion of the disputed issues. Indeed, Pancu reaffirms that President Iliescu offers a meeting to president Goncz because he considers a dialogue to be of utmost importance. Romania is even willing to accept the dialogue beginning, if not at a presidential level, then at a lower level. The essence is that the topic should be discussed, free of taboos.

Very well, I say, but we Hungarians are of the same opinion, yet things are still not progressing in nationality matters, and it is not by chance that one of the cardinal topics of this conference was the problem of nationalities and ethnic groups in eastern and central Europe. Pancu says, to this, that in his view it is obvious that both sides have shown their readiness to hold talks. In his view, the problem is only that it is necessary to form the institutionalized system for this dialogue regarding nationality matters.

Nonetheless, I asked the Romanian president's security policy and foreign political adviser: Is the Soviet-Romanian agreement, which was just signed hastily, an indication that Romania believes that it finds, in the Soviet Union, the protective umbrella vis-a-vis the other kinds of endeavors of its western neighbors, thus, for example, Hungary? Ion Pancu considers this to be speculation, and he also rejects my supposition that the Romanian-Soviet agreement has a clause that Romania renounces joining any sort of western integration, and in exchange receives the necessary feeling of security from the Soviets.

The adviser at the same time promises that the agreement will soon be made public, and all of us will be able to observe that all it contains is that there can be no processes threatening one another's security in the territory of either the Soviet Union or Romania, that is the Soviet Union is striving for exactly the same kind of agreements with the other Eastern and Central European countries, for example, with Hungary, too. Pancu also recalled: Moscow does not even consider NATO to be a hostile military organization. [passage omitted]

Let me start from what the Romanian guest said, that in Mosow, NATO is no longer regarded as a hostile grouping. If this is so, why can such comments be heard in the Soviet capital that the Eastern European countries should be forbidden to join serious, Western European integrations. This is what I asked first of (Vladimir Baranovskiy), head of the West European Department of the Moscow World Economic and International Relations Research Institute.

[Begin (Baranovskiy) recording in English, fading into Hungarian translation] According to the official language, the enemy image of NATO and other integrations has indeed disappeared. However, this does not mean that once and for all the old reactions, the old mentalities have disappeared. Abroad, and in your country as well, it must be recognized that in our country the future of Eastern and Central Europe is the subject of serious security policy debates, their possible joining of NATO or other groups. It is understandable that in our country many are concerned that the borders of Europe could be closed at the Hungarian, Slovak or Polish borders, and we would be left out of the cooperation. Certainly the attempts experienced in central and eastern Europe encourage those standing against [lovat adnak ala] Shevardnadze or Gorbachev. For example, these gentlemen can say: Here is new political thinking for you; look, NATO is already at our borders. So these considerations are worth noting abroad as well. [end recording]

To this I asked Mr. Baranovskiy: Let us suppose that we, Hungarians, sign a treaty with the Soviet Union, and then all other Eastern Eurpean countries as well, separately. What happens if these treaties are then questioned by someone in Moscow, Kiev, or in the capital of I do not now which independent republic. What if they say that those who signed these treaties on the Soviet side were not legitimate authorities, and in any case, it is only the question of a piece of paper, which can be torn up.

To this analysis the Moscow researcher replied that we must not take this as a starting point. Treaties are there to be adhered to, but unfortunately, such a tragic script cannot be excluded, though the chances of such a scenario are at the most 10 percent.

Finally I questioned (Baranovskiy) about the sense of danger worldwide in view of the nuclear weapon stocks accumulated in the Soviet Union. My discussion partner admitted that this suuject is pushed into the background in the debates between the republics, where obviously the economic and political relations between the future states must have priority. In spite of this (Baranovskiy) emphasized that in the Moscow decision-making center they are aware of the fact that it is their duty toward the world to control physically the enormous nuclear stocks, to prevent them getting under the authority of adventurer politicians or military leaders. It seems that in fact the range and influence of those political forces which declared their claim for mass destruction weapons is insignificant. The various republics, politicians, and military who will determine the future of the Soviet Union, I can state definitely, are very much aware that the ownership of such weapons cannot determine the future of their country, concluded the head of the West European Department at the Moscow World Economic and International Relations Research Institute.

PDSh Threatens To Boycott Assembly Session

Boycott Said Over Shkoder Events

AU1204200191

[Editorial Report] Tirana Domestic Service in Albanian at 1800 GMT on 12 April devotes eight minutes of its regular 30-minute newscast to recorded interviews conducted by Timo Luto with Albanian Workers Party [PPSh] representative Fehmi Avdiu and Democratic Party [PDSh] representative Eduard Selami.

Luto states: "The proceedings of the 12th meeting of the People's Assembly will begin in a few days. This is the first pluralist Assembly, and it will have a different form of organization from that of other assemblies. To discuss the organization of the first Albanian Assembly, a meeting was held at the initiative of the PPSh between representatives of the PPSh and the PDSh. Spiro Dede, Ismail Lleshi, and Fehmi Avdiu represented the PPSh, and Eduard Selami, Aleksander Meksi, and Arben Imami represented the PDSh."

PPSh representative Fehmi Avdiu states that the purpose of the meeting "was to seek and create as acceptable a climate as possible for the start of the first pluralist Assembly's proceedings." "The spirit in which the problems were discussed was constructive, with healthy and sincere dialogue, and efforts to find a common path to the benefit of the People's Assembly's future work. We agreed on various joint decisions on the ceremony of the opening of the new Assembly. We agreed to invite personalities from the various parties, representatives of the press, radio, and television, and personalities from the various embassies accredited to Tirana. We also agreed that, according to tradition, our national anthem will be sung before the proceedings start."

PDSh representative Eduard Selami states that "The aim of our conversation concerned the preparations for the first session of the People's Assembly. The matters we discussed were not questions of principle or of political standpoint, but questions of procedure. It was, therefore, not difficult to achieve common ground, because it was simply a question of how the Assembly will be opened." "We also raised a truly serious issue for both parties, because a meeting of our Managing Commission made and conveyed to the PPSh a decision according to which the Managing Commission has decided not to take part in the first Assembly if certain conditions are not met. The first condition we laid before the PPSh was that as long as the culprits of the Shkoder massacre are not found, the PDSh's representatives will not take part in the first People's Assembly."

Fehmi Avdiu states: "The PPSh, like all progressive sections of society, dissociates itself fully from what happen on those painful days in Shkoder. It has severely criticized violations of the law, and is making every ef to find the culprits and bring them to justice, so they may be sentenced under the law. We also expressed the view that these events, regardless of their importance, should not obstruct the work of the Assembly."

Luto states that the representatives of the parties "will meet again tomorrow at 1330."

Threat of Boycott Renewed

AU1404164491

[Editorial Report] Tirana Domestic Service in Albanian at 1800 GMT on 13 April devotes three minutes of its regular 30-minute newscast to recorded interviews by Timo Luto with Albanian Workers Party [PPSh] representative Fehmi Avdiu and Democratic Party [PDSh] representative Eduard Selami.

Luto states: "The second meeting between representatives of the PPSh and the PDSh began at 1330 today. The representatives of the PPSh were Spiro Dede, Ismail Lleshi, and Fehmi Avdiu, and those of the PDSh were Eduard Selami, Aleksander Meksi, and Arben Imami. The meeting last two hours."

PPSh representative Fehmi Avdiu states: "Today's meeting, too, was pervaded by a spirit of constructive debate to reach a common consensus on some organizational problems relating to the opening of the forthcoming session of the People's Assembly. We discussed various problems, such as the seating of the deputies in the hall. We also discussed and reached common ground on joint groups of deputies that will form the commission on mandates and the Presidium of the Assembly, and other problems relating to the start of the Assembly's work."

PDSh representative Eduard Selami states: "At the beginning, in discussing points of order, we came to a general agreement, because these are mainly technical and organizational matters." "The main problem, however, is that of whether the PDSh's group of representatives will take part in the Assembly or not, for they have again informed the PPSh that they will not take part in the first session of the People's Assembly before the culprits for the Shkoder massacre are identified." Selami demands "an explanation on television at 2000 on Sunday by the responsible services and the government."

Fehmi Avdiu states: "All political parties have dissociated themselves from the Shkoder events, the violators of the law, and those who have committed crimes, and demand that they should brought before the law." "I think, however, that the very important work of the new Assembly should not be tied to the Shkoder events. We all expect, wisely and with cool heads, that the PDSh's representatives must take part in such an important event for the country."

PDSh Deadline for Shkoder Investigation Passes

AU1404183691 Tirana Domestic Service in Albanian 1800 GMT 14 Apr 91

[Text] As you are aware, the Democratic Party's [PDSh] deputies have demanded that the Presidential Council and

the Council of Ministers publish the results of the investigations of the murders committed in the city of Shkoder on 2 April; otherwise, this party's deputies will not take part in the meeting of the People's Assembly to be opened at 1700 tomorrow. They set as a final deadline 2000 today. This deadline has now passed. The first pluralist Assembly tomorrow will not be pluralist. The opposition wing will be missing. Will this Assembly be held? On the basis of the Constitution, which permits the Assembly to be held when two-thirds of the deputies take part, the Assembly may meet. We will have an Assembly different from that elected by the people in the 31 March election. Nevertheless, we will learn everything at 1700 tomorrow.

Shkoder Meeting Investigates 2 Apr Events

AU1404165191

[Editorial Report] Tirana Domestic Service in Albanian at 1800 GMT on 13 April devotes 18 minutes of its regular 30-minute newscast to a report by Alfons Gurashi on investigations being conducted into the violence in Shkoder on 2 April and to recorded interviews with local representatives of political parties, religious communities, and the district authorities.

Gurashi states: "After the painful events of 2 April, Shkoder looks calm. We would say that this is only its external appearance, however, because people are still extremely worried and are not calm. They have not all returned to work. Classes have also not yet resumed in the city's secondary schools. The elementary schools opended yesterday. There are severe shortages of raw materials in the city's industrial enterprises. The Industrial Office gave us details of some enterprises that have fulfilled their production plans, but there are many that have run up deficits because of raw materials shortages, such as the Wood Combine, the Paper Combine, the wireworks, and the metal-working, textile, and knitwear enterprises. The law on paying workers 80 percent of their wages is being observed in almost all these enterprises. There are also difficulties in food supplies for the people.

"Meanwhile, a special investigative group from the Investigator General's Office arrived in Shkoder few days ago, charged by the Council of Ministers with the task of discovering as soon as possible the true culprits for the tragic events of 2 April and identifying them fully and objectively.

"Between 1200 to 1900 yesterday in one of the halls of the Executive Committee of the District People's Council, a meeting was held among representatives of the state services, the Albanian Workers Party [PPSh] in the district, Shkoder branches of the Democratic [PDSh] and Republican [PRSh] parties, the District Council of the Independent Trade Unions, the forces for the maintenance of order, and the Investigator General and Prosecutor General, who have both been here for several days to investigate the 2 April events.

"Council of Ministers Secretary General Aleks, who chaired this meeting, said at the beginning that, together with the ministers of the food industry and domestic trade, the procurator general, and investigator general, we have come here under the special instructions of the Council of Ministers, first to meet you and to acquaint ourselves as fully as possible with the results of the investigative process so far and to bring it to a responsible conclusion as soon as possible. Second, we have come here to acquaint ourselves at close hand with some of Shkoder District's urgent demands for the supply of the people and industrial raw materials.

"In the name of the special investigative group, Ferit Sula, deputy chairman of the Investigator General's Office, presented a report on the course of the investigations so far, stating that, despite the group's total commitment, a definitive conclusion establishing the truth has still not been achieved because of the difficulties facing this investigation, among other things, because the events took place on a massive scale. The film recorded by the special services would have helped to provide a fast and objective assessment of these events, he stressed, but this film was later burned for objective reasons. Relying on the work carried out so far, he recounted once again the course of events in Shkoder on 1 and 2 April, pointing out the difficulties facing the investigative group, especially in assembling facts and accurate and convincing testimonies to identify the culprits of the murders committed in front of the PPSh District Committee building and those who set fire to this building.

"The group from the Procurator General's Office also presented a short report. This group is charged with the task of following and supervising the work of the investigative group. The events in Shkoder gave rise to many questions and comments at the meeting. Explanations were demanded about problems relating to the chronology of events, the circumstances in which the film recorded by the internal affairs organs was burned, the use of force on the part of the forces for the maintenance of order against participants in a peaceful if illegal demonstration in front of the PPSh District Committee building, and the delay in concluding investigations.

"Representatives of the PDSh, the PPSh, the PRSh, and the Independent Trade Unions said that there had been many delays and unclear problems in the investigative processes, especially regarding the circumstances in which three persons were killed—a fourth died later—and others were wounded. They once again stressed that the chronology of events submitted in the report of the spokesman of the Ministry of Internal Affairs on 2 April is inaccurate. An extensive debate took place at the meeting on these and other issues. Regarding the chronology of events, all those present held the same view. In connection with the course of the investigation, the representatives of the PDSh, the PRSh, and the Independent Trade Unions said that the results of this investigation so far are biased. They dissociated themselves from it and made their comments, calling for a more objective attitude on the part of the investigative

organs and the forces for the maintenance of order to identify the culprits as soon as possible and to calm the people of Shkoder.

"Qemal Lame, chairman of the Investigator General's Office, stressed that the investigative process must be accelerated despite the difficulties in its path, and he especially insisted on identifying those who fired guns. For his part, Procurator General Rrapo Mino stressed once again that all the acts committed, including the burning of the PPSh's building, took place after the murders had occurred. The government insists on calling to account at once those who fired guns and gave the order to fire, and those who later burned the PPSh Committee building.

"Council of Ministers Secretary General Aleks Luarasi conveyed once again in his speech the special concern of the government about the painful events of 2 April in Shkoder, and called for the investigative process to continue soon. The culprits, whoever they may be, will be answerable to the law. He said that calm and security must be restored as soon as possible for the people of Shkoder, and that all political forces must make their full contribution to this. He suggested to representatives of political forces in the district that the meeting should prepare a joint statement for the public. There was a long and acrimonious debate about the drafting of this statement. There were contradictory and irreconcilable opinions, and no statement was therefore agreed on.

"Following the meeting, we obtained the following interviews from representatives of the various political bodies and religious communities of Shkoder:" (?Ferdinand Qemali), chairman of the Independent Trade Unions of Shkoder District, states: "The view of the majority of participants in this meeting is that the statement of the Ministry of Internal Affairs' spokesman was not true." He states that establishing the true chronology of events "would greatly help to calm the situation in Shkoder," and fears that the present calm "is superficial."

(?Farudin Stanka), member of the Organizing Committee for the PPSh in Shkoder District, states: "The events of 2 April in Shkoder District were serious and painful. They were painful because they had an undesirable influence, caused people grief, and led to worry and insecurity for citizens. The PPSh's District Committee has expressed and expresses its deep regret about these tragic events, and expects that such incidents will never be repeated in our city with its ancient culture and traditions." "We are for accelerating these investigations, and for identifying the culprits, whoever they are, and establishing their responsibility to society." "We are ready and able to make our full contribution and to cooperative with all other political forces and social organizations to explain the events and to restore the calm that the city of Shkoder needs so badly."

(?Xhevat Repishti), chairman of the PRSh's Shkoder branch, expresses "great concern over the events that took place here, and a desire to see this situation overcome as soon as possible." "The PRSh refers to the great message brought by the Albanian spring, that we should always put the interests of the nation above everything, and that we consider this land of Arberia from Vermosh to Konispol to be holy, like the territories and graves of our forefathers."

(?Xhemal Uruqi), secretary of the PDSh's Shkoder branch, complains of a "lack of realism" in the conduct of the investigations, and demands that "the culprits for this bloodshed, unprecedented in the history of our democratic city, be brought to justice."

Dom Zef Simoni, deputy chairman of the Albanian Catholic Community states: "We do not want and are against all forms of violence." He speaks on the need for "unity, love, and brotherhood."

Hafiz Sabri Koci, chairman of the Shkoder-based Albanian Islamic Community, appeals for "unity, regardless of religion," and refers to "the noble principles of the Qu'ran that represent Islamic morality and deplore everything that divides us from one another."

Terezina Marubi, chairwoman of the Executive Committee of Shkoder District People's Council, appeals for "an understanding that will help to calm the people of Shkoder. We can work together to achieve this." She also appeals for "the investigative organs to work fast."

Opposition Leader Speaks About Lessons of Defeat

AU1204205391 Budapest NEPSZAVA in Hungarian 9 Apr 91 p 3

[Interview with Democratic Party Deputy Chairman Gramoz Pashko by Szerdahelyi on the telephone from Tirana on 8 April: "Is Fear the Unifying Force?—Report on the Situation by an Albanian Opposition Leader"—first paragraph is NEPSZAVA introduction]

[Text] The situation is essentially the same after the second round of the Albanian election—namely, that while the communist Workers Party [PPSh] firmly holds its positions in the countryside, the opposition forces continue to gain ground in the cities—said Gramoz Pashko.

[Szerdahelyi] Although we do not have the official final results yet, it is possible that the PPSh gained an absolute majority in the legislature. How much of a setback is this for the opposition?

[Pashko] We cannot change the past any more of course, but it was a good lesson, which showed that the desire to break away from the old system was not followed proportionately by a real determination. By all means, the opposition learned a lot from the election, most important that, in the future—apart from gaining strength—we will have to learn new tactics. It is fair to say that, with

slight exaggeration, the communists won the peasantry over by returning a few thousand sheep to them, and that was decisive.

[Szerdahelyi] Surely, this was not the only reason for the defeat?

[Pashko] Our party's leadership has not yet sat down to discuss the reasons after the second round, so I will tell you my personal opinion now. Our country is not yet ripe for a democratic change, but it is true that the authorities never allowed time for that, either. Our fate was more or less sealed by not being able to delay the election at least until autumn. I also cannot deny that, after years of isolation, we had no realistic grounds for a spectacular forward leap. Albania is held together by fear even today.

[Szerdahelyi] Can we talk about real changes under these circumstances?

[Pashko] In my view, many people who voted for the PPSh are bitter about the present situation. Somewhere deep down, many people believed in some changes, and they might be brave enough to express their beliefs in a few years. Still, I would not call the events of the last few weeks in our country a complete disaster. The governing party was forced to make certain concessions, and Albanians are able to learn more and more about how we used to live.

[Szerdahelyi] Will the Democratic Party's policy change accordingly?

[Pashko] We do not have a concrete program yet, and opinions also differ within the narrow leadership. Some suggest the most radical forms of protest and encourage strikes and political resistance. To choose a more quiet but sure road might be wiser, even if we are very far from a true parliamentary democracy yet. One thing is certain: Within our limitations, our party will be striving to disseminate the idea among the people that Albanians are to carry on living in Albania. The hardest thing today, however, is to make the disappointed masses stay here.

Party of National Unity Forms Shkoder Branch

AU1404134191 Tirana ATA in English 0919 GMT 13 Apr 91

[Text] Tirana, April 13 (ATA)—On occasion of the creation of the branch of the Party of National Unity for Kruje, a meeting was held at this town, which was attended by members and sympathizers of this party.

Jurist Idajet Beqiri, chairman of the Initiating Commission of the Party of the Albanian National Unity, analysed the program of this party. He said among the other things that it is not by chance we start creating the branches of the party in Kruje, where since the time of our national hero, Gjergj Kastrioti Skenderbeu, the idea of the unification of our nation was fostered. Likewise, he said that the fundamental aim of the newly created party is to restore and maintain the social equilibrium and to strengthen uninterruptedly the national unity.

In the end the meeting elected the Steering Commission of the branch of the Party of National Unity for the town of Kruje.

PPSh Paper Comments on Recent Election

AU1204101791 Tirana ZERI I POPULLIT in Albanian 5 Apr 91 p 1

[Unattributed editorial: "Who Voted for the Albanian Workers Party?"]

[Text] In its newspaper RILINDJA DEMOKRATIKE and various trite pamphlets circulating in the streets, the Democratic Party [PDSh], on the basis of the election results, does not spare the most amazing accusations against our patriotic, hardworking, and democratic peasantry, simply because the PDSh's candidates suffered an overwhelming defeat in rural areas and small towns. Without turning a hair, it calls the peasantry backward, uncultured, and unemancipated, and more. Of course, this is neither the time nor the place to talk about the role of the peasantry throughout Albania's history, their patriotism, and their intense political intuition. The countryside showed which political force it trusts on 31 March. Perhaps this article would not have been written were it not for the hooligan behavior that has been apparent in some towns against respectable and industrious peasants who, enjoying the opportunities offered by their personal plots, have appeared on the market as entrepreneurs, thereby helping their families but also rendering the towns a great service.

Moreover, the PDSh's pretensions about the importance of "quality" votes appear utterly ridiculous to us. If we are talking about democracy, everybody's vote, whoever it may belong to, has the same democratic value. The people, our young people, the working class, and our people's intelligentsia are everywhere. Where did the Albanian Workers Party [PPSh] win a majority of votes? It won 100 percent of the seats in Fier. Do the gentlemen of the PDSh not recognize this district as "cultured?" Do they not know that the oilworkers, the backbone of the workers class, work in Fier? The PPSh similarly won in chrome-, copper-, and ferronickel-mining areas, and among the lumberjacks of the forests, and wherever we find our heroic workers class, who cleave to the party like flesh to the bone and shoulder the heaviest burden of the development of the national economy. A group of miners from Fushe Arrez wrote to us in their telegram that "The 31 March election expressed the will of the masses and of our freedom-loving and democratic people." We have received hundreds of such letters and telegrams in recent days, while RILINDJA DEMOKRATIKE persists in its refrain about "uncultured votes," seriously insulting such districts and towns as Berat, Diber, Gjirokaster, Kukes, Lushnje, Permet, Pogradec, Sarande, etc., where the PPSh won an overwhelming majority of the votes. The PDSh either does not want to

understand this, or does not want to admit it. All the worse for them! Let them lull themselves into a dream of "cultured votes."

Nevertheless, on the basis of what RILINDJA DEMOKRATIKE has printed, in black on white, claiming that the PPSh won its votes from the most backward section of Albanian society, let us for a moment take up the gauntlet. Let us make some comparisons in Tirana, remembering that RILINDJA DEMOKRATIKE published last Wednesday [3 April] a front-page article with the headline "An Honor for Tirana" and the subhead "Albanian Democracy Fully Deserved the Capital's Votes." The PPSh is making its own analysis of why Comrade Ramiz Alia did not win in Tirana. Time will tell, and history will give a name to this manipulation, calling it a psychosis and a form of typhus attacking democracy, feverishly concocted by the PDSh by day and by night. Is it normal, however, for a professor like Dr. Rexhep Mejdani to lose to an unknown candidate? Is it normal for a diplomat with a worldwide reputation like M. Kapllani to lose to a physical education teacher? Is it normal for a physicist like P. Skendo to lose to a student? Is it normal for personalities from Albanian science and culture to lose in the capital city to people who are glorified as scientists by the PDSh, but who took their first steps in science and politics at the same time? Of course, we are not questioning the judgment of the people. It is the beauty of a free vote that it has this advantage. The writers of such articles in RILINDJA DEMOKRATIKE, however, show themselves to have neither political sense nor an elevated sense of national thinking when they spare no epithets for our peasants, miners, oilworkers, and lumberjacks with their keen political nose and their proved spirit of patriotism, merely because they cast their votes for the PPSh's candidates.

The writers of RILINDJA DEMOKRATIKE's articles attempt to portray this as manipulation. Let us recall once again that if the election was manipulated anywhere, it was precisely in Tirana, Shkoder, Durres, etc., where the fever for votes set aside all legal methods in the election campaign, and where psychological pressure exerted visible influence on people.

Council of Europe Delegation Pays Visit

Received by Premier Nano

AU1404134291 Tirana ATA in English 0801 GMT 14 Apr 91

[Text] Tirana, April 14 (ATA)—Fatos Nano, chairman of the Council of Ministers, received on April 13 the delegation of the Parliamentary Assembly of the Council of Europe and had a warm and friendly talk with it.

I consider your visit to our country, he said to the European parliamentarians, as a support for the processes of democratization, which have assumed a new development, especially after the first pluralistic elections. We shall make continuous efforts to march onto the new road of democratic developments through parliamentary pluralism, considering it as the only possibility for the further and all-sided development of Albania. In this context, he said further on, we think that parliamentary cooperation among various political forces which may go as far as a government coalition among them is indispensable.

Our government is totally committed to make Albania as soon as possible a full member of the Council of Europe, considering it as a further affirmation of the international position of our country.

Comrade Fatos Nano acquainted the European parliamentarians also with some economic and social problems which our society is encountering in the road of its further democratization.

The members of the delegation of the Parliamentary Assembly of the Council of Europe evaluated the important political and economic changes made in Albania recently and voiced their sincere opinion of the very great problems the process of democratization has in our country. Important for the Council of Europe, they underlined, is to show through facts that Albania has entered the road of genuine democracy and it is of no importance who has the state power: a political party or a coalition.

The European parliamentarians voiced their worry over the recent events in the city of Shkoder and asked for explanations.

Comrade Fatos Nano acquainted them with the investigation process going on for the event and with the difficulties in this regard.

Both parties talked also of the course of events in the Balkans, Europe and in the world.

On this occasion, Premier Fatos Nano gave a dinner in honour of the delegation of the Parliamentary Assembly of the Council of Europe, which passed in a friendly atmosphere.

Meets Foreign Minister Kapllani

AU1404135191 Tirana ATA in English 0808 GMT 14 Apr 91

[Text] Tirana, April 13 (ATA)—Muhamet Kapllani, minister of foreign affairs, received on April 13 afternoon the delegation of the Parliamentary Assembly of the Council of Europe that has come to our country at the invitation of the Presidium of the People's Assembly.

Muhamet Kapllani had a warm and friendly talk with it. Our pleasure, he said among others, is great, because you come to Albania as a delegation of the Council of Europe whose role Albania values greatly for the future of our continent. You have come to our country in a special period of time, when we have just conducted the first

pluralistic elections, that brought about the first pluralistic parliament, which will elect the president, will approve the constitution, radically revised, and will create the new government.

Regarding the interest of the members of the delegation of the events in Shkoder, the foreign minister said that our government has considered the recent events in Shkoder as painful, undesirable, especially for the fact that they occurred right after the elections. I would like to inform you, he pointed out, that our government is totally engaged in examining the question and in preparing a full report on the event.

The members of the delegation stressed on their part that the Council of Europe is ready to help Albania through its experience in the field of legislation.

On April 13, the delegation of the Parliamentary Assembly of the Council of Europe was received in separate meetings by representatives of the Party of Labour, the Democratic Party, the Central Elections Commission, the Supreme Court and Radio-Television.

Deputy Finance Minister Speaks at UN Commission

AU1404134091 Tirana ATA in English 0805 GMT 13 Apr 91

[Text] Tirana, April 13 (ATA)—The 46th session of the UN Economic Commission on Europe continues its proceedings. In the plenary session of April 11, in the debate on the economic situation in Europe, the floor was taken also by the head of the delegation of the PSR [People's Socialist Republic] of Albania, the deputy minister of finances, Anastas Angjeli, who said among others:

Albania has already initiated an irreversible process of democratic transformations, that have swept all walks of life. The changes that are taking place are swift and major. To the democratic climate testified also the conduct of free elections and the creation of the new pluralist parliament. These, and the process of opening and integration with the world, which has already marked remarkable progress, fulfil the conditions for Albania to become an active participant in all the processes that are taking place in Europe at present.

Further on, he emphasized that the Albanian economy is undergoing a complex crisis, manifested in the recession of the social production rates and the national incomes, work productivity, the accumulated budgetary deficit amounting to 30 percent of the whole budget, the currency balance and payments deficit in value terms of approximately 350 million dollars, the open and secret inflation and unemployment, the perceptible decline of the mass consumer goods offer and of the raw material, etc.

Further on, Anastas Angjeli voiced his opinion that the only alternative to come out of the crisis is to carry out the liberalising economic reform, aiming at passing onto the free market economy. He explained that now a whole program of reforms to restructure the economy, based on pluralism of ownership and on the coexistence of state control and market forces, is already being applied.

In order to endorse the reforms, the head of the Albanian delegation said further on, the necessary legal context is being created. Soon the new constitution will be adopted, sanctioning amongst others also the coexistence and protection of public and private structures of the economy.

Finally, Anastas Angjeli underscored that Albania accepts aids and credits based on good will and humanism.

Deputy Prime Minister Tomov on Government's Work

AU1404203291 Sofia DUMA in Bulgarian
8 Apr 91 pp 1, 2

[Interview with Aleksandur Tomov, deputy chairman of the Council of Ministers, by unidentified reporter; place and date not given: "100 Days of Hard Work, Discussion, and Hope"]

[Excerpts] [DUMA] Mr. Tomov, how would you describe the first 100 days of the government's work?

[Tomov] The government, led by Dimitur Popov, embodies the idea of the peaceful transition from a totalitarian to a pluralistic society and a market economy. The new government contributed to alleviating the confrontation in public life. A total economic reform in its initial stage is currently under way and the constructive political forces are prevailing (at least for now). The government virtually represents a broad coalition of the major political forces, engaged in implementing urgent reforms in our country, in preserving the social and political peace, and, last but not least, in guaranteeing Bulgaria's survival.

The ministers affiliated with the Bulgarian Socialist Party [BSP] and all other cabinet members, I hope, consider the following measures as the major tasks of Popov's government:

1. Initiating the economic reform.

2. Actively changing the legislative and normative foundations of society.

3. Implementing administrative reform, including basic government structures.

4. Consolidating public order.

5. Preparing and holding local and new legislative elections.

The first 100 days of our work showed that a certain progress was made in all major spheres. The pace of the government's work is accelerated and we can say that it has produced some results.

[DUMA] The economic reform is the government's major task. You are acquainted with the recent development of the reform. How would you describe its first results?

[Tomov] The reform is composed of several important elements: price liberalization, increase of interest rates above the level of inflation, introduction of the leva's internal convertibility, demonopolization, and privatization of the economy. All these elements are connected with each other. They are well known and there is nothing new to be discovered about them. The problem is how to proceed with their timing and gradual implementation, and how to adjust them to the social problems affecting the people.

I must frankly admit that the initial level of the liberalized prices was considerably higher than the government had estimated. The exchange rate of the dollar versus the leva was also higher. The fact that producers and businessmen expected much inflation and the high degree of the Bulgarian economy's monopolization are the main factors responsible for the situation.

Nevertheless, it was impossible to maintain prices below the level of the people's purchasing power ad infinitum. As is known, the reduced demand already resulted in a slight reduction of market prices. The dollar exchange rate has also dropped. In the meantime, however, the government set a limit to oil prices, thus arresting the inflation processes and "alleviating" the increase of consumer goods prices by at least 10 percent.

[DUMA] Does all this mean that the reform is proceeding at a normal pace in your opinion?

[Tomov] As far as the first measures and the major issues are concerned—yes. The reform is bound to be arrested in its progress (which can already be felt) as long as the initial monetary measures are not complemented by structural changes.

So far we have implemented only the first stage of the reform—namely we determined the qualitative criteria of economic life, in other words, we raised the standards to a level that is closer to European standards of economic activity. Our main task today is to assist companies in reaching this standard, and to adopt a more differentiated approach in dealing with them. [passage omitted]

[DUMA] The mass media, television in particular, is creating the impression that the ministers affiliated with the Socialist Party are somehow standing aside in the innovative process. Is it true?

[Tomov] No, this is not true, despite the fact that you might get this impression. It is the result of the "election campaign approach" adopted by certain mass media and to the fact that the two basic economic ministries are headed by non-Socialists. All Socialist ministers are active champions of innovation. Major reforms aimed at the modernization of the Bulgarian Army are being implemented under Minister Mutafchiev's leadership. Minister Paparizov and I are actively participating in all activities related to aspects of the administrative and economic reform. The same applies to Minister V. Pavlov, who is one of the most consistent champions of the market economy. Pencho Penev is one of the most active promoters of the legal reform. Professor Matey Mateev is successfully implementing the innovative processes in our educational institutions. This shows that our Socialist ministers are active exponents of innovation in our society. They are the guarantors of the stability and viability of the coalition government at the same time.

Poll Shows Limited Support for National Assembly

AU1304192791 Sofia BTA in English 1844 GMT 13 Apr 91

[Text] Sofia, April 13 (BTA)—The latest public opinion poll held by the National Public Opinion Center in Bulgaria shows that 36 percent of the respondents approve the work of the Grand National Assembly while 46 percent disapprove of it. This was announced today in the authoritative panorama review of the Bulgarian Television. The attitude to the other state institutions is as follows: 57 percent of the respondents approve the work of the presidency, 21 percent do not approve it, the percentage of approval and disapproval for the government is respectively 56 and 26 percent.

The increasing disapproval of the police is indicative (34 percent approval, disapproval 42 percent), it is probably due to the growing criminality.

Dr. Petur Dertliev, chairman of the Bulgarian Social Democratic Party, is the M.P. of the month, he is followed by Ginyo Ganev, deputy chairman of the Grand National Assembly, and Stoyan Ganev, co-chairman of the Parliamentary Union of Democratic Forces.

Finance Minister Ivan Kostov has been chosen minister of the month (he is approved by 30 percent of the respondents), Aleksandur Tomov, deputy chairman of the Council of Ministers, is ranked second.

The results of the inquiry show that if now direct presidential election were held, Dr. Zhelyu Zhelev would poll 49 percent of the vote.

If parliamentary elections were held today, the vote polled by the parties would be distributed in the following way: The Bulgarian Socialist party 25 percent, the Union of Democratic Forces 33 percent, the Movement for Rights and Freedoms 6 percent, the Bulgarian Agrarian Party 11 percent. Here is the the probable distribution of seats in parliament: The Union of Democratic Forces 42 percent, the Bulgarian Socialist Party 31 percent, the Movement for Rights and Freedoms 8 percent, the Bulgarian Agrarian Party 14 percent of the seats.

The most influential organization in the Union of Democratic Forces is the Bulgarian Social Democratic Party which polled 27 percent of the electorate.

The respondents who want new elections to be held in June this year account for 39 percent, 28 percent prefer holding elections in September, 48.7 percent hold the opinion that the Grand National Assembly should not dissolve before passing Bulgaria's new constitution.

Popov Speaks on Military Affairs, Security

AU1204202991 Sofia BTA in English 1954 GMT 12 Apr 91

[Text] Sofia, April 12 (BTA)—Today Prime Minister Dimitur Popov visited Armed Forces units and population centers near the town of Blagoevgrad in southwestern Bulgaria. The Army should be free of any political paternalism and act only as a guarantee of Bulgaria's national security and independence, he said. The government regards the Army as a factor of internal stability and calm.

Mr. Popov spoke about some actions by political forces which he said are trying to destabilize the country. He sees attempts to propagate alien national identity, the region of Blagoevgrad (Pirin Macedonia) included. This goal is pursued also through the activity of the unlawful Ilinden organization. The head of the government assured his audience that the cabinet will oppose all actions aimed against the unity of the Bulgarian people and the integrity of Bulgaria.

After the disintegration of the Warsaw Pact Bulgaria will seek bilateral and multilateral alliances and treaties reducing the risk of military confrontation, the premier reiterated. The National Security Council has already discussed Bulgaria's military doctrine and its national security doctrine and is about to approve and publish them.

In connection with the elections the prime minister said that the Grand National Assembly should pass the laws and the constitution and lay down the legal framework of the ongoing reform. He believes that legitimate local authorities should be elected first and parliamentary elections should be scheduled after the passage of the new constitution.

Assembly Begins Debates on Draft Constitution

AU1204135891 Sofia BTA in English 1237 GMT 12 Apr 91

[Text] Sofia, April 12 (BTA)—Parliament started debating today Chapter One of the draft constitution, entitled "Basic Principles of the New Constitution of the Republic of Bulgaria."

This chapter defines the form of the state and its basic characteristics: Unified, democratic, social and committed to the rule of law.

Opposition M.P.'s argued against the definition of the state as "social." According to them, in the light of the present circumstances in this country the word "social" evokes associations with the attribute "socialist" in the existing Constitution.

Bulgaria is a parliamentary republic according to the draft constitution. It expressly states that the Republic of Bulgaria is based on democracy, freedom, equity, humanism and equality, the whole state power stems

from the people, Bulgaria is a unified state with local self-government and it does not allow of autonomous territorial formations.

The draft constitution envisages a division of power in this country into legislative, executive and judicial. Political life is based on the principle of political pluralism.

Bulgarian is declared the official language and "its use in state institutions and in public relations is obligatory."

Ownership rights are inviolable, "private property is recognized and guaranteed by the law which prescribes the ways and means of acquiring and using it for the purpose of ensuring its social role and making it accessible to all." According to the draft of the new constitution the state has the exclusive right to ownership over ores and minerals, natural resources, the beaches, nuclear power, waters, forests, roads of national importance, railway transport, enterprises producing arms, explosives and strong anesthetics.

The country's economy will be based on free economic enterprise and market relations, the state will create equal opportunities for all economic subjects eliminating any monopoly, preventing unloyal competition and protecting consumers' interests, it is said in the draft.

The land, being the greatest wealth of the nation, will be taken special care of and protected by the state and society, it is pointed out of the draft.

The draft envisages to base the country's foreign policy on the generally accepted principles of International Law.

Students' Declaration on Elections, Strike Issued

AU1304185791 Sofia BTA in English 1831 GMT 13 Apr 91

[Text] Sofia, April 13 (BTA)—The Federation of Independent Students Societies considers that the political situation in Bulgaria has been strained. The tensions ensue from the deliberate delay in the change of the system. The federation declares that it is for new elections which would speed up the process of changes and which should be held the soonest possible, it is stated in the declaration of the Federation of Independent Students Societies received at the BTA.

The federation is worried by the unjustifiably long protraction of the fulfillment of the obligations assumed by the political forces with regard to the students' demands made in the students strike committees' memorandum. This creates the prerequisites for a new wave of strikes, it is pointed out in the declaration.

Radical Party Holds Alternative National Assembly

AU1404192591 Sofia BTA in English 1809 GMT 14 Apr 91

[Text] Plovdiv, April 14 (BTA)—Today the Bulgarian National Radical Party (BNRP) organized a rally in the historic place called Oborishte where 115 years ago the decision for the biggest Bulgarian uprising against the Ottoman yoke was taken. Despite the heavy rain about 600 adherents of the BNRP which is known to hold extreme nationalistic views gathered there to hold a session of what they called the "Seventh Alternative National Assembly."

Representatives of different parts of the country were elected—members of the BNRP committees, of the Committees for the Protection of National Interests, of the Fatherland Party of Labor—all of them organizations with strongly nationalistic leanings. Dr. Ivan Georgiev, chairman of the BNRP, was elected chairman of the "Assembly," he will be "head of state until the state structure is determined."

Dr. Georgiev argumentated the idea of convening the "Seventh Alternative Assembly" in Oborishte by saying that the official authorities did not settle any of the nation's key problems. He said that the consequences of the economic crisis and of the decisions made by the present government were catastrophic and pointed out that national nihilism was very dangerous. "We will not serve interests that are alien to us," Georgiev stated.

The attendants elected the chairman of the shadow Council of Ministers, the ministers of the cabinet will be elected at the first session of the "Alternative National Assembly" which, according to Dr. Georgiev, will be opened in Sofia on April 20. The session will also discuss Bulgaria's new constitution.

Soviet Official on State of Trade Relations

AU1404195591 Sofia DUMA in Bulgarian 6 Apr 91 pp 1, 2

[Interview with German Vlaskin, "adviser at the USSR Embassy in Sofia," by Ivanka Khlebarova; place and date not given: "Only Mutual Benefit Can Determine Bulgarian-USSR Economic Relations"]

[Excerpts] [Khlebarova] Mr. Vlaskin, new conditions of payments in the two countries' economic relations were introduced at the beginning of the year. The first three months are behind us and we could already examine the results, even if they are still incomplete. How do you assess the results?

[Vlaskin] There are changes. Under conditions of advancing toward a new method of payments and relinquishing the state agreements concerning a part of the deliveries, as the practice was in the past, mutual trade exchange decreased, and in my opinion, came close to the optimum.

The USSR continues to be Bulgaria's main trade partner. Data from the first three months shows we exported production worth about $300 million. Bulgarian deliveries to the USSR amount to $57 million. The USSR implemented, almost fully, the orders for coal and natural gas. The quantity of oil that was delivered—827,000 tonnes—is less than what was planned, but this is related first of all to the increasing difficulties in obtaining it, the shortages in the USSR, and especially, because of the strikes. As a whole, power supply from the USSR is an important factor that ensures the functioning of the country's heating and energy complex, and provided the population with energy and heating during the first three months of the year. Therefore, the claims about some "energy blockade on the part of big brother" contradict the truth. [passage omitted]

[Khlebarova] Does the possibility of activating economic relations with the separate republics exists?

[Vlaskin] Not only does the possibility exist, but relations between them and various Eastern European countries, including Bulgaria, are actively developing. Certain republican laws literally are based on a market economy and guarantee total freedom of activity to both our enterprises and their foreign partners.

[Khlebarova] There is another issue that interests us, namely, the so-called integration projects on USSR territory, in which Bulgaria is taking part.

[Vlaskin] Yes, there are several thousand Bulgarians working in those projects and other industrial and social spheres. Some of those projects were completed, and final calculations will be made by Bulgarian and Soviet organizations. Simultaneously, at the initiative of the Bulgarian side, talks are being conducted on further utilizing Bulgarian workers, mainly in construction and in several projects (about seven) on Russian and Ukranian territory. If conditions are agreed upon, the Bulgarian workers will work there an additional two to three years. [passage omitted]

Electric Power Import Halted

AU1204140291 Sofia SVOBODEN NAROD in Bulgarian 5 Apr 91 p 1

[Radost Pateva report: "Requiem Candle for Power Supply"]

[Text] The moment of truth for Bulgarian power supply will come in the spring. The compromises that allowed us to pass the winter under conditions of stopping power supply for one hour every three hours or having power for two hours and then stopping it for two hours, now must be paid for.

The import of electric power from the USSR will stop on Saturday [6 April]. This means a cut of 350-760 megawatts, or about 12 percent of the total power supply. The fifth reactor of the Kozloduy Nuclear Power Plant functions at the top of its present capacity, which is about 50 percent of its normal capacity. Now the reactor must be recharged. One of the old reactors must be switched off for urgent repairs. Other capacities also must be repaired. There is less water in the dams than in 1990. It is incomprehensible why, despite the serious decrease of power supply and the constant warnings about the power shortage, consumption of electric power has not decreased much.

The most modest calculations about the cost of the repairs necessary to bring the Kozloduy Nuclear Power Plant up to date with international and Bulgarian safety norms, show that in the future we will pay for electric power not with stotinki per kilowatt/hour, which now seems so expensive, but with leva. Therefore, let us purchase candles for the requiem of the power supply concepts of the unforgettable Nikolay Todoriev, the main strategist of this branch. Pleased with the fact that others will pay the interest for his numerous sins in the economic sphere, Mr. Todoriev now is a member of the legislative subcommission on power supply.

Statistical Data Shows Production Decline

AU1204191591 Sofia BTA in English 1720 GMT 12 Apr 91

[Text] Sofia, April 12 (BTA)—The report of the Central Statistical Board on economic performance in March and in the first quarter of 1991 shows that the downward tendency in production from 1990 persists in March. Prices have sky-rocketed almost four-fold as compared to October 1990 and over three-fold as compared to January 1991.

Ignoring the impact of the lifting of price controls on February 1, production in March was 10.7 per cent down against the like month of 1990, and industrial production dropped 15.8 per cent less. Production in March amounted to 16,000 million leva at current prices.

First quarter production totalled 33,100 million leva. Taking into account the impact of the price rises on the value of production proves, the actual amount of output proved to be 17.5 per cent less than in the first quarter of 1990. The drop is 24.4 per cent compared to the same period of 1989.

In the first three months of 1991, 50.1 per cent of all 5,531 production units generated less output than in the first quarter of 1990. In 19 per cent of the businesses the drop exceeded 40 per cent. They account for nearly 73 per cent of the overall decline but employ 22 per cent of the labor force. Eighteen businesses produced nothing at all in the first three months of this year.

The Central Statistical Board blames the ongoing decline in production on the shortage of raw materials. Manufacturers say 56.4 per cent of the output for January, February and March was never produced because of difficulties in raw materials supply.

Other reasons for the decline are the closure of productions, workshops and business divisions due to nonprofitability, operation below capacity or lack of raw materials and markets. The number of businesses which closed some of their lines rose twofold in March compared to January and February.

Industry was the worst performing sector in the first quarter of 1991. Among the severely hit industrial branches are electrical engineering and electronics (where profits fell by 740 million leva from the same period last year), the chemical and petro-chemical industry (669 million leva), food processing (521 million leva) and mechanical engineering (457 million leva).

The output of 468 of a total of 598 monitored industrial items has been reduced, and 49 items have not been produced at all. There is a drop in the production of a number of energy resources: electricity, heat power, as well as of coal, building materials, rolled iron products, fertilizers, paper products, household electric appliances and foods.

State and cooperative trade turnover rose 29.5 per cent to reach 6,000 million leva in the first quarter of 1991. The difference between sellers' prices and producers' prices amounted to 1,100 million leva. According to the Central Statistical Board, prices rose 4.5 times on the average (calculated on the basis of 1,700 goods and services) from October 1990 and three times from January 1991.

In agriculture the Central Statistical Board found a delay of the spring sowing due to the adverse climatic conditions in March, the shortage of fuel and herbicides and the high prices of fertilizers.

In March the quantities of meat and milk purchased from all types of farms exceeded the respective quantities in January (2,200 tons of meat and 3 million liters of milk more), eggs were 19.7 million less. As compared to the same period last year, however, the produce for January and February 1991 showed a considerable drop. It is chiefly due to the withholding of the produce by the producers who failed to agree on prices with the purchasing companies, to the decline in production and to the poor opportunities for direct sale on the free market.

At present there are no reasons to expect abrupt changes in production and in in the downward tendency, the Central Statistical Board concludes.

Chernobyl-Related Trial Opens for Two Officials

AU1404172291 Sofia BTA in English 1652 GMT 14 Apr 91

[Text] Sofia, April 14 (BTA)—The trial of Grigor Stoichkov and Lyubomir Shindarov—two high ranking state officials of the former regime involved in yet another scandalous affair of the top crust, Chernobyl, is to open tomorrow morning.

It is stated in the indictment that in the period from April 26 1988 to June 1989 Mr. Grigor Stoichkov, then deputy chairman of the Council of Ministers and chairman of the Standing Governmental Committee for Combating Natural Calamities and Heavy Industrial Accidents, and Mr. Lyubomir Shindarov, first deputy minister of public health and chief sanitary inspector, acted in complicity in contravention of the rules for radiation protection, although they realized that in consequence the citizens of Bulgaria may be caused physical injury or death. Mr. Stoichkov will be also held responsible for inflicting damages to the state exceeding 2.6 million leva ensuing from his breaking the radiation protection rules through "carelessness amounting to criminal overconfidence." For these acts Mr. Shindarov is liable to a penalty of three and Mr. Stoichkov to five years of imprisonment.

The panel will be chaired by Mr. Bozhidar Suknarov, one of the most experienced judges of the Supreme Court. He will be assisted by two representatives of the youngest generation at the Supreme Court, Ms. Boyka Popova and Ms. Eliyana Karagyozova. Ms. Milka Boyadzhieva, a prosecutor of long service at the Office of the Prosecutor General, will act in her capacity of public prosecutor. According to her colleagues she is an experienced, conscientious and unbiased professional. Mr. Enyo Komitov and Mr. Georgi Vurbanov, both ex-prosecutors, are the counsel for the defense. The witnesses summoned are 46, but there are a few more (maybe three or four) who have been served with writs at the request of the defense.

According to some sources the hearing may be postponed for a later date, in most probability because of Mr. Stoichkov's health. According to well-informed sources outside the law court and the Prosecutor's Office, the defendant has recently suffered a hemorrhage of the brain. If this fact did not prevent him from appearing in court to testify at the Zhivkov-Balev trial a few days ago, now it can excuse him from not appearing in court as a defendant.

Ex-Politburo Officials Testify at Zhivkov Trial

AU1204103791 Sofia BTA in English 1010 GMT 12 Apr 91

[Text] Sofia, April 12 (BTA)—The "farce" staged against Zhivkov is nearing its end, the defendant stated today. Referring to himself in the third person as usual, he obviously has in mind that there are only three witnesses to be summoned yet, by which the prosecutor's list of witnesses (totalling 247) will be exhausted. However, some 45 witnesses who failed to appear in court due to various reasons, although they were served with writs, should also be added to this figure.

The prosecution insists that all initially subpoenaed witnesses testify in court, and the possibility that some others will also be summoned should not be ruled out.

Today Prosecutor Krasimir Zhekov said that the thesis of the prosecution had been confirmed and that yesterday's facts-sparing testimony of the five witnesses who belonged to the former Communist Party top crust had satisfied him.

Among those who testified today were two former alternate members of the Politburo and secretaries of the Central Committee Luchezar Avramov and Ivan Abadzhiev, Academician Blagovest Sendov, president of the Bulgarian Academy of Sciences, also testified.

The hearings will be resumed on April 15.

Glasnost, Democracy Clubs Meet, Change Name

AU1304185891 Sofia BTA in English 1824 GMT 13 Apr 91

[Text] Sofia, April 13 (BTA)—The Federation of the Glasnost and Democracy Clubs held a national meeting here today. The attendants discussed the situation in the country and the problem of the new elections. The federation does not consider that the formation of two wings in the united opposition is a split. This organization, which was renamed to Federation of the Democracy Clubs, will hold a national conference in May.

Ministers at Odds Over Privatization Methods

AU1204132091 Prague CTK in English 1000 GMT 11 Apr 91

[Text] Prague April 11 (CTK)—Czech Privatization Minister Tomas Jezek and Czech Trade Minister Vlasta Stepova disagree on the implementation of the law on "small privatization", i.e., return to private hands of shops, small businesses and services. Stepova wants part of big food shops to fall under the law on "big privatization".

The privatization of shops, started in January, has been criticized for progressing slowly. According to Jezek, more than 1,000 shops had been bought at auctions at the total price of 600,000 million crowns (1 dollar is 30 crowns) by April 2. Another 5,740 shops at the total asking price of 3,400 million crowns are ready for being sold at auction.

To accelerate privatization, Stepova proposes to exempt shops over 400 square meters from small privatization and switch them under big privatization, i.e., turn them into joint-stock companies with participation of foreign capital. One project has been worked out by the Dutch Ahold firm which is ready to invest 70 million gulden in the Czech Republic, to quickly build shops as well as food producing facilities in which it wants to employ local inhabitants and use local raw materials. Ahold together with the Czech investment would create a Euronova Company.

The Czech daily "MLADA FRONTA DNES" today wrote that such projects "would mean that small privatization would not be carried out in the extent envisaged by the government blueprint for economic reform. Only the least lucrative shops would be left for private persons while the most profitable part of the shop network would continue to be controlled by the state through holding companies which would gradually liquidate small businessmen".

One of the arguments used by the supporters of small privatization is the department store "Prior" at Prosek in Prague which was sold at auction for a record of 95 million crowns last weekend. The buyer was the Fanda Firm whose two owners told journalists they want to buy another ten big shops and invest a total of 1,500 to 2,000 million crowns into the food shop network this year. The two men said they gained their capital from a plumbing firm which they started last year and which now employs 300 plumbers throughout the country, and from credits from the Commercial Bank and also from the Deutsche Bank branch in Waiden.

Files on Screened Deputies Declassified

AU1204130691 Prague CTK in English 2116 GMT 10 Apr 91

[Text] Prague April 10 (CTK)—The Presidium of the Federal Assembly (Parliament) decided today that members of a Parliamentary Commission Investigating the November 17, 1989 Events may freely provide information to the other deputies on records in the former Secret Service registers concerning deputies who were revealed during screening to have collaborated with the secret police.

The names of ten deputies having records in the Secret Police were made public on March 22.

Czechoslovak Interior Minister Jan Langos, who was present in parliament, said the records which will be made available to deputies will not contain any information on other persons. Deputies requesting the records will have to pledge to keep them secret.

Czechoslovakia "does not and will not conclude any more written agreements on cooperation with other intelligence services", Langos said, referring to his spokesman Martin Fendrych's statement of March 29, that Langos had concluded "a sort of gentleman's agreement" with many major Western intelligence services. Langos said that the statement by Fendrych that one intelligence service will not act against another was inexact and qualified it by saying that "the Czechoslovak intelligence service will not operate on the territory of another state with the aim of harming its interests".

OF Deputy Explains Change to Opposition Party

AU1204150291 Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in Czech 8 Apr 91 p 3

[Interview with Ivan Fisera, deputy to the Federal Assembly for the Civic Forum, by Petr Novacek; in Ostrava; date not given: "A Renegade With Honest Intentions"—opening paragraph is ZEMEDELSKE NOVINY introduction]

[Excerpts] A few days ago the news attracted our public's attention about seven members of the Left-Center group in the Civic Forum [OF] Club of Deputies—A. Cerny, P. Dostal, I. Fisera, V. Komarek, V. Sochor, J. Spacek, and J. Wagner—having joined the Czechoslovak Social Democracy [CSSD]. During the CSSD Congress in Ostrava [held on 6 and 7 April], I asked Deputy Ivan Fisera a few questions about this move.

[Novacek] In the elections you ran as an OF candidate and now you have deserted the OF, if you pardon that expression, to join the CSSD, an opposition party. If you switched over from the Conservative Party to the Labor Party in Great Britain, you would probably have to give up your seat....

[Fisera] As far as I know, what we did would really be impossible in countries with a majority electoral system. In Germany, on the other hand, such transfers are possible and our electoral law makes them possible as well. Of course, it is not a routine occurrence and this phenomenon does not testify to a fully stable political

scene. Shifts on our political scene have, however, been anticipated since the start of the present two-year term of our legislative bodies.

[Novacek] You concede, nevertheless, that the step you took is an unusual one. What were your motives?

[Fisera] A. Cerny, for example, was a CSSD member before. Those of us who have joined the party now were reacting to the complex situation arising from the OF's distinct shift to the right, beyond the framework of its original program. [passage omitted] We also consider it right to give support to those currents in the CSSD that have made it absolutely clear, especially quite recently, that they want to contribute to stability in this country. [passage omitted]

[Novacek] Nevertheless, you continue to be a deputy for the OF and should therefore, together with your six colleagues, support the concept of the radical economic reform. Your party, the CSSD, has, however, major reservations about the reform concept and propagates a social market economy instead. In your speech at the CSSD Congress, you yourself criticized Thatcherism and Klausism. How can you reconcile all this?

[Fisera] I repeat that I want to be an honest deputy for the OF and implement its electoral program. Incidentally, we, that is, the seven Social Democrats, have not left the OF Club of Deputies. Quite to the contrary, this step was taken 10 days ago by Klaus' Civic Democratic Party when it established its own club of deputies with the aim of creating some kind of a confederation of OF clubs. As for the seven of us, you are right in that, for some time already, we have not been endorsing the Klaus version of the government's [reform] scenario, which pays no heed to social balance and clings to textbook dogmas without regard for the actual situation.

[Novacek] What you have just said implies that you will be rather close to the OF wing that is about to constitute itself as the Civic Movement. Am I right?

[Fisera] Yes and that is quite natural. The Civic Movement does not see in the market an aim in itself and it, too, places emphasis on the social aspects. The CSSD's positions on these issues are formulated more clearly than those of the Civic Movement, however. [passage omitted]

[Novacek] Mr. Fisera, seven of you have joined the CSSD but R. Battek, on the other hand, was expelled from it some time ago. Even though you are new in the CSSD, you were not afraid of expressing disapproval of Battek's expulsion in your speech at the congress. Would you please repeat your position for the benefit of our readers?

[Fisera] Those of us who have already been expelled from somewhere or, as far as the OF is concerned, "excluded from it by definition" by V. Klaus, know how such an excommunicated person feels. I believe that R. Battek belonged and continues to belong to the CSSD and that this matter must be resolved....

Dienstbier on Memorandum on European Security

AU1204131191 Prague CTK in English 1858 GMT 9 Apr 91

[Text] Prague April 9 (CTK)— Czechoslovak Foreign Minister Jiri Dienstbier said here today that a Federal Foreign Ministry memorandum comprises Czechoslovakia's initiatives aimed to initiate a debate between the Conference on Security and Cooperation in Europe (CSCE) participants contributing towards the institutionalization of the European process.

After handing over of the memorandum of the Czechoslovak Foreign Ministry on European Security to diplomats representing the CSCE signatories, he told newsmen that Czechoslovakia wants a Helsinki II summit, due in 1992, to highly contribute to the creation of a new mechanism of all-European security. Czechoslovakia also thinks that this summit should come to the conclusion that Europe needs a permanent political body to exist within the CSCE framework, which would be capable of reacting to the needs and urgent problems of the continent, Dienstbier said.

He briefed journalists about his visit to Washington next week during which he will have talks with U.S. Secretary of State James Baker. The talks will deal with Czechoslovakia's ideas on further moves of the Helsinki process, developments in Central Europe as well as with economic and trade relations between Czechoslovakia and the United States. Dienstbier stressed that it is the United States that supports the Czechoslovak concept of the institutionalization of the Helsinki Process. The CSCE is a platform linking the United States and Canada with the European countries. The interest in promoting these relations has increased also in connection with the new conditions in Central and Eastern Europe, Dienstbier said.

He spoke about a working visit by German Foreign Minister Hans-Dietrich Genscher to Prague, scheduled for April 11. He confirmed that preparations for a treaty to be signed between Czechoslovakia and the FRG, which is to be a basis of new relations in the future, will be on the agenda of their talks. He described as a provocation the questioning of the present property rights issues in the western and northern border areas in the Czech Republic in connection with the drafting of the new bilateral treaty. "The German officials demand no restitution. In no case is the Czechoslovak-German border questioned either by the FRG government or by the Sudeten German Landsmannschaft", Dienstbier said.

Dubcek Comments on Rapprochement With Germany

LD1404173191 Prague CTK in English 1629 GMT 14 Apr 91

[Text] Bratislava April 14 (CTK)—"Today we are on the threshold of qualitatively new relations", chairman of the Czechoslovak Federal Assembly (parliament) Alexander Dubcek told CTK here today in connection with the official visit of a Czechoslovak parliament delegation to Germany, starting tomorrow. "We do not want to waste the extraordinary and unrepeatable opportunity for our rapprochement...This is the main mission of our visit", Dubcek said.

Commenting on his talks with representatives of the two streams in the Public Against Violence (VPN) in Slovakia this weekend, Dubcek said that in his opinion they should hold round-table talks and become close partners and allies in the solution of joint problems. There exist people who underestimate the significance of the year 1968 (reform movement), one of the biggest milestones in the country's modern history which deeply influenced the further development. They even underestimate the activities of persons who in the then complicated conditions supported democracy, political pluralism, human rights, freedom and free decision-making, he said.

ODS Not Calling for Seat in Government

AU1204130591 Prague CTK in English 1455 GMT 10 Apr 91

[Text] Prague April 10 (CTK)—The Civic Democratic Party (ODS) is sticking to its original position that the split in the Civic Forum (OF) is not a signal for a reconstruction of the government, Chairperson of the ODS Preparatory Committee Vaclav Klaus said at a press conference today.

Klaus added that if a member of the Federal or Czech cabinet or any other political body were to step down, ODS would ask for the vacant position to be filled with an ODS candidate.

Recent rumors from Prostejov, Southern Moravia, that ODS is demanding changes in the Federal Cabinet are untrue, said Vice Chairperson of the ODS Preparatory Committee and Federal Deputy Miroslav Macek.

Petr Havlik, also from the Preparatory Committee, announced that 10 days before its founding congress, ODS has about 20,000 members. Klaus explained that the party will expand its activities after it chooses a new name at the congress.

Macek noted that the ODS does not consider a treaty between the Czech and Slovak Republics to be a viable solution to the country's constitutional setup.

Asked for the ODS's position toward the two wings of the Slovak movement Public Against Violence (VPN), Klaus responded that ODS would maintain a neutral stance. Said Klaus, "that is an issue of internal VPN politics and the political power of individual groups which will influence the future of VPN".

Pithart Concerned About Developments in Slovakia

AU1204145191 Prague HOSPODARSKE NOVINY in Czech 8 Apr 91 p 1

[CTK report: "Petr Pithart on the Federation"]

[Text] "We have grown accustomed to taking the coexistence of Czechs and Slovaks in a common federal state for granted, to regarding it as something that cannot be questioned. The present political situation compels us, however, to change this view," Czech Prime Minister Petr Pithart stated in the auditorium of the Economics College in Cheb on Friday [5 April].

"If we understand that the motives leading to demands for the confirmation in a treaty of both sides' will to live together in a common state are psychological rather than legal, then it would also be possible to seek untraditional forms of such a confirmation of the will of both nations."

The Czech prime minister went on to say that the desire for a strong government and a slower and more considerate pace of economic and political changes and the distrust of constitutional bodies, the market economy, and the adopted political program are manifested more strongly in Slovakia [than in the Czech Republic]. Whereas in the Czech lands the civic principle is regarded more and more favorably as an integrating principle, in Slovakia it has been replaced by the national principle.

"If our fears prove to be warranted, it would mean substantial differences in the orientation of the political will of the citizens of the Czech Republic and the Slovak Republic," the prime minister said. "The two republics would then behave as two different subjects. The accentuation of the ideas of federation, of federal policy, of federal economic strategy, and of sufficiently effective federal instruments for enforcing this strategy would then be felt as the imposition by force of something that cannot be spontaneously accepted. Such a federation would not have a great chance of survival."

Meciar on Pressure To Quit 'on Health Grounds'

AU1204140791 Bratislava SMENA in Slovak 6 Apr 91 pp 1, 2

[Interview with Slovak Prime Minister Vladimir Meciar by Ivan Janicik; in Nitra on 3 April: "A Boomerang?"]

[Excerpts] [passage omitted] [Janicik] No doubt, your call on the bishop of Nitra today will be interpreted as an effort to gain political capital. You are sometimes being accused of trying to misinform the public, of manipulating people. Is this misinformation deliberate?

[Meciar] Speaking of misinformation, if my own mother were to judge me according to what LIDOVE NOVINY writes about me, she would not let me into her house. The activities aimed at discrediting me started even before the Topolcany assembly [of the Public Against Violence movement on 23 February]. [passage omitted] Most recently, one has been using the method of analyzing my statements. I always speak off the cuff. Even here at the Nitra [district] assembly [of Meciar's 'For a Democratic Slovakia' platform of the Public Against Violence movement] at least three people were sitting in the front row whom I recognized. They took down each of my words to compare them with my previous statements and track down possible faux pas. This is a dirty method that should not be used in politics. A typical example was the interview that I gave while taking over the "Politician of the Year 1990" prize. They took only the first and the last part of the whole interview. They pick sentences, which they then use to blacken my character. To hell with it....

[Janicik] Asked about your state of health [at the Nitra district assembly], you replied that the doctor examines you every morning, gives you a shot, and tells you—you can keep going for another day. There has been speculation about your state of health serving as an excuse for your quiet departure.

[Meciar] They proposed to me two variants. Variant A—I was to fall ill and undergo long treatment. If the situation calmed down I might even recover. The Variant B was that, if I did not want to fall ill, I would stay on as prime minister, would participate in its meetings, but I would not head the government. I let them know that I wait for the first one to cross the threshold of my office and give that message to me personally. No one has come to this day so that this variant probably is politically not practicable. For me personally it is unacceptable. I believe that political conduct has not only political, economic, and social dimensions but also a moral dimension. And such immoral conduct always boomerangs against whoever started it. The biblical saying that he who lives by the sword dies by the sword—I do not want to say who lives by Meciar dies by Meciar [pun based on the fact that the root of the name "Meciar"—mec—means sword in Slovak]—always comes true in some way. It stopped being true a long time ago that the end justifies the means.

Klaus Replies to TU, Slovak Demands

AU1204150391 Prague PRACE in Czech 28 Mar 91 p 5

[Interview with Finance Minister Vaclav Klaus by Jan Hajny and Jiri Kucera; place and date not given: "This Is an Absolute Misunderstanding!"—first paragraph in PRACE introduction]

[Text] If you asked in the street five years ago who was the finance minister, the most frequent response you would certainly meet with would be the shrugging of shoulders. This is not the case today. In his function, Vaclav Klaus is able to win indiscriminate admirers, as well as resolute opponents. Only a few are indifferent to him and only a few do not know him. In view of the fact that he uncompromisingly took over the task of reestablishing a market economy in our country, he must appear to be a sponsor of the nascent entrepreneurial strata. It is almost logical that this gives rise to differences with employees representatives—the trade unions. Is it not a paradox if trade union leaders say in one breath that they are in favor of economic reform and simultaneously—contrary to the spirit of the reform—demand an increase of the minimum wage? We asked the first man of our financial affairs: Can an agreement be concluded at all?

[Klaus] Most often I hear objections against differences between the reform scenario and its course of implementation. I deny this. There are no differences and there cannot be any. The scenario has been fulfilled but.... Economic reform is not controlled by some untimely superhuman who simply starts individual reform operations by pushing buttons. This is not the case. We live in a democratic world in which—one—parliament is more involved —two—differing opinions between national governments prevail—three—trade union organizations raise their voices—four—associations of entrepreneurs raise their voices—five—there is some dramatic event in the world economy. The scenario of our reform operates in real time. If one wants to check off its individual points and thinks that he must do it exactly on the same day as planned, then he simply does not understand anything. Another matter is the standpoint of the government on reform policy in relation to some groups or individuals. None of these groups presented anything that could be called an alternative to economic reform. People suggest some ameliorating elements to the reform in the belief that today's difficult economic conditions can also be ameliorated. This also is a misunderstanding. Any ameliorating and slowing down of economic reform will only make our economic situation and its impact on enterprises and on the public even worse. When I hear such demands presented by various groups, small or large ones, or by individuals, then I ask—against whom are these demands directed?

[PRACE] Would you not like to opt for a certain form of dictate? What is the sense, in your opinion, of having such institutions as the Government Tripartite Council, involving the government, entrepreneurs, and trade unions?

[Klaus] Many things in the world can be achieved by negotiating and not by a dictate. There is no doubt about it. This is why the Tripartite Council is one of the organs that could smooth difference and lead to consensus. As such, it surely has its raison d'etre. This is only half the answer, however. It is necessary to say that if someone thinks, under false illusions about economy and society, that the Tripartite Council is a place where all this

should be done, then we have another complete misunderstanding here. I am of the opinion that the role of the council is rather overestimated than vice versa.

[PRACE] Is this why you do not participate in its meetings very often despite the fact that you are a member?

[Klaus] Also because of that. I want to admit in complete sincerity that I have always attached less importance to it than others do. I say this without shame and I expect more attacks against me because of it!

[PRACE] Did you ever expect, when this organ was established, that in today's phase of the reform the council would really become a tripartite council, that is, it would also include a clearly constituted entrepreneurial front?

[Klaus] I did not anticipate that this third partner would today assume its own particular shape, color, and so on.

[PRACE] Are you of the opinion that trade unionists have no reason to view the present situation as a dictate?

[Klaus] Look, in the first place, I must reject the search for false symmetry. The formulation of economic policy is not, and cannot be, a one-directional dictate of the government—or governments—because these are controlled by all the democratic mechanisms that have been established, above all, as you know, by parliament. Above all, by parliament. Despite this, a search for some kind of symmetrical relationship between the entities—state versus trade unions—is not realistic. That is, the current position of the trade unions in relation to the state is a horrendous conceptual misunderstanding. Please, print this in bold letters. The entire idea that trade unions are doing something positive by exerting pressure, that they somehow counterbalance the forces, has never been justified, since this is not valid for their relations with the state, but with entrepreneurs. Above all, some of the trade union leaders should realize this. There is no dictate involved here, not even bad intentions, it is simply a matter that needs a serious explanation or that needs a feasible solution applicable today.

[PRACE] However, it is natural, in our times, that if the third partner is virtually nonexistent then trade unions aim their fire at the one in whom they see their enemy, that is, at the government....

[Klaus] This is just the tragedy. This is an unstable solution that we can see, for example, in the bipolar legal-and- constitutional arrangement of the federation. Neither here nor there does the issue involve correct partnership relations.

[PRACE] When, in your opinion, will the trade unionists be able to turn exclusively against their "natural" opponent?

[Klaus] I am of the opinion that, with the accelerating privatization process, employers are beginning to assert themselves. There is a constant movement in it. It is probably difficult to define when this will go beyond some critical limit and when we will be able to say: Yes, it is here. Yet I believe that significant changes will take place this year. Entrepreneurs will be formed—in the very classical sense of this word—in the course of privatization and the problem—trade unions versus employer or entrepreneur—will became more relevant, day by day.

[PRACE] You must have received enough signals that the population's willingness to tighten belts has decreased in recent months and fewer people are willing to cut another hole in their belts. Have we started to tighten our belts at all?

[Klaus] Let us distinguish two things. An economist must—otherwise he would not be an economist—think in aggregate terms. That is, in composed figures [souhrnna cisla]. That is, he looks at problems through a telescope rather than through a microscope. It is possible for him to see contours, outlines, but sometimes he fails to see individual cases. I reject attacks of this type, that is, I reject allegations that I do not know about individual cases in which belts were tightened. Nevertheless, if we evaluate macro- figures—where tightening of one person's belt is compensated for by loosening of someone else's belt—then we know well that belts were not tighter in Czechoslovakia last year—again, let us not dramatize daily, weekly, or monthly cycles. We have even consumed more than we produced within the economy. I definitely do not conduct polemics, and I am quite well aware of individual impacts, particularly in the first months of this year. It was a reversal [prelomovy zvrat] when prices rose substantially and, simultaneously, production dropped, that is, the country is definitely consuming and distributing more than last year. It is correct to talk about tightening belts, yet our goal is to minimize the time in which this will take place. Trade union demands do not help us too much and this is the basic problem. The issue is not that we would not want to avoid tightening our belts —we are in the same boat with trade unionists in that regard. The issue it to shorten the entire process, to speed it up....

[PRACE] What should be the task for the trade unions, in your opinion?

[Klaus] The most important thing today is to successfully prevent an inflationary spiral. The trade unions have a relevant role in unleashing it. The spiral can simply come into existence if we allow wage increases or, eventually, if we allow an increase in the minimum wage....

[PRACE] You said it.... What do you think about today's minimum wage level?

[Klaus] The minimum wage is one of the ominous errors in this country. I do not know whether the trade unions should be blamed for it since they asserted it or whether the government should be blamed for approving it. Nor do I know who would try to defend the level of the minimum wage today. I hope that Minister Miller—in contrast to some trade union leaders, I stress, union

leaders—shares my opinion. Rank and file trade unionists certainly know today what the minimum wage has done in their workplaces. There are innumerable examples. In schools, the schoolgirls in higher grades will take over cleaning instead of the dismissed cleaning ladies. In hospital the minimum wage does not apply to doctors but to junior health personnel and, as a consequence of that, it influences the doctors' performance....

[PRACE] We have slowly come to the questions which our readers ask our editorial staff every day. They want to know about the wage indexing in budged-funded organizations. Who will ensure it?

[Klaus] Do they ask that, really? It only depends on themselves. If they have money for the increase then they can increase their wages, if they do not, then they can hardly do that. The situation here is the same as the situation in enterprises. No one has said that they must pay indexed wages. The government only offered them the possibility of paying it. It depends on the financial situation in each organization and in each enterprise. If an enterprise is insolvent then it should not even pay wages today. Wages can be increased only within the framework of the existing budgets. As you know, the state simply has no other financial means. The state is exposed to great pressure to lower the turnover tax on cars, to lower the turnover tax on papers, and to lower the income tax for novice entrepreneurs and joint venture enterprises.... I, personally, am in favor of the smallest possible taxes, but someone should tell me which budgetary item to reduce. Otherwise we would find ourselves in a situation where we would be forced to print new money. We simply do not have the resources for budget-funded organizations. By this, I do not want to say that if macroeconomic figures show significant changes, then it could also induce further changes in the budgets. However, it is unthinkable that we would increase someone's budget only to make him able to pay indexed wages to his employees.

[PRACE] Another suggestion voiced frequently by our readers is that it would help many of our companies survive the worst crisis if they did not have to repay their credits at least for some time....

[Klaus] Well, everything is interconnected. It would be no problem to grant to [the endangered manufacturer of television tubes] Tesla Roznov, for example, a half a year suspension on the repayment of credits. But we could only do so if we simultaneously suspended, for example, the payment of old age pensions or of wages in the medical sector. This is not how the world works. All these suspensions would logically force the state also to suspend some of its expenditures. I come across this problem very often. On the one hand, people demand of me higher interest on their savings because inflation has lowered their value, on the other they demand lower interest rates for their companies. It is apparent that the problem simply cannot be formulated in this way. Equally, the state cannot be expected to look for new markets for companies. I am confident that, as the economic conduct of companies becomes reinforced, demands of this nature on the state will stop. We have already done an enormous thing [for companies] by having reduced interest rates on permanently maintained stocks. Moreover, the period of repayment of these credits has been extended to eight years. To do this, we had to establish a new bank, the so-called Consolidation Bank, and take a number of other measures. In the course of only a few days we thereby helped companies solve at least 50 percent of their [financial] problems. In spite of this, companies' demands for all kinds of relief measures have not grown any weaker. It seems that, in this respect, we [the government and companies] have stopped understanding one another a bit.

[PRACE] Nonetheless, some prime ministers, as we learned recently, travel abroad to find work for their companies and jobs for their inhabitants....

[Klaus] If these representatives conclude such agreements while abroad, theirs is a virtuous activity. The question is, however, whether they really conclude them or whether it is only a political trick.

[PRACE] What could you say, in general, about the two republics' specific conditions for the implementation of the economic reform scenario?

[Klaus] Speaking about the specific features of Slovakia, because this is surely what you are aiming at, is like wanting to change the rules of a tennis or soccer match in the middle of the game. What is apparent in Slovakia is that diverse economic subjects adapt differently not to the course of the reform but to the existing economic situation in the world. I am thinking, in particular, of the collapse of the USSR and CEMA markets. It goes without saying that our reform steps have diverse impacts on individual economic subjects. However, it is definitely not the border between Moravia and Slovakia that determines this problem [of diverse repercussions of reform steps], as, incidentally, your daily wrote last week. While Slovakia has to grapple more with the conversion of the armaments industry, the Czech lands must deal with the ecological situation in North Bohemia and with the acute problems in the Ostrava region. The tasks that are faced by farmers in Central Slovakia, for example, are somewhat different from the tasks anywhere in Bohemia because, as is becoming apparent, the effects of last year's drought on the territory of Slovakia were more severe. The problems are simply associated with individual regions and I definitely reject the view that our economic reform should take a different course in the Czech lands and in Slovakia.

[PRACE] Please, say a word about the founding of the Bratislava stock exchange....

[Klaus] One can say that, as a matter of principle, there can be as many stock exchanges as are required by economic reality. What would be logical would be the creation of a single central stock exchange that would have branches in various parts of our federation. In

every functioning market economy stock exchanges originate on the basis of demand. Since we do not have a stock exchange in our economy, it would be good to have at least one. Only when it becomes apparent that there is so much trade that a single stock exchange cannot absorb it should another one be built. A stock exchange is a classic example of the capital market and the capital market does not distinguish between Czech and Slovak capital. It suffices to look around Europe. One can see a number of economically advanced states that do not have any stock exchange at all and that play on the stock exchanges of other states. The idea does not even occur to these states that they should set up their own stock exchange in Copenhagen or Helsinki, for example. The attempts to have one stock exchange in Bohemia and one in Slovakia can be described as another enormous misunderstanding and as a failure to understand basic economic rules.

[PRACE] Our readers would not forgive us if we failed to ask you when the price of gasoline in Czechoslovakia will react to the changes in the oil price on world markets....

[Klaus] First of all, it is not clear yet what the world oil price will be. Second, we must appreciate the difference between nominal and real term values. Recently I shocked many people with my response to the question why we have such usurious interest rates. When we look at the difference between real and nominal interest rates, we will see that our interest rates are not usurious at all and that, compared with the rate of inflation, we even have negative interest rates. The IMF is probably right in pushing for substantially higher interest rates in our country. These relationships are also connected with the price of gasoline. The fact that for the past five months, during which the general price index has climbed roughly 35 percent, we have been paying 18 korunas for a liter of gasoline means a dramatic 35 percent fall in the real price of gasoline, compared with the development of prices on average. Do not take this as a joke at the expense of someone who is not familiar with economic terminology. It is a fact. I could also illustrate it by the example of the exchange rate of the koruna. It is evident—seeing how the exchange rate of the koruna against other currencies has not changed for a number of months while at the same time Czechoslovakia is experiencing growing inflation—that the koruna has made an incredible advance. Since the last devaluation at the end of last year, the koruna has gone up more than any other European currency. But let us return to the price of gasoline. What appeared to be a disproportion five months ago has stopped being one. Moreover, we also have to consider the relationship between price and supply. As we definitely will not have any surplus oil this year, our price of gasoline must reflect the situation on the market.

[PRACE] Are you, in other words, satisfied with the course of the reform? To what degree has it been influenced, and is still being influenced, by our internal political problems, in your opinion?

[Klaus] One thing is to be satisfied and another is to be a realist. I am more of a realist who knows that, for many reasons, our reform cannot proceed at a faster pace than it does. This does not mean, however, that I, as an individual, do not wish its more rapid progress. I realize that the reform does not take place in a vacuum and that all the pressures and frictions are given realities that must be taken into account. It would, of course, be ideal if the ministers in charge of the economy were able to devote themselves to all the nuances of economic and political measures instead of having to defend the reform in interviews with PRACE editors, for example. While I am here we could have, for example, come up with some fine detail in the system of taxation. But the reality is different, it is such that it is equally important to explain and interpret the reform for the readers of the daily PRACE as it is to work on the details of the system of taxation. As for the second part of your question, I will reply in one sentence: The reform has been complicated fundamentally, and continues to be complicated, by the disputes about division of powers [between the federation and the republics].

VPN Issues Statement on Talks With Genscher

LD1204221691 Prague Federal Television Network in Czech 2015 GMT 12 Apr 91

[Text] Because of wide-spread speculations about a meeting between Fedor Gal, chairman of Public Against Violence [VPN] Slovak Council, and Hans-Dietrich Genscher, Free Democratic Party [SSD] deputy chairman and minister of foreign affairs of the Federal Republic of Germany, VPN Press Secretary was authorized to give the following statement to Czechoslovak Press Agency:

The meeting between Mr. Gal and Mr. Hans-Dietrich Genscher was a meeting of leading representatives of the two European political central forces aimed at enabling a flow of information between the VPN movement and SSD.

The meeting confirmed VPN's foreign policy orientation toward the European political parties of the center with which VPN established contacts after November 1983. VPN has since developed these contacts and intends to develop them in the future in such a way that VPN becomes a natural part of such forces in the European context. That is why VPN representatives are going to meet with representatives of all the European parties which belong to this part of the political spectrum.

As far as a stance taken by the Ministry of International Relations of the Slovak Republic is concerned, it is necessary to point out that it is not usual in the democratic Europe that state bodies assume patronage over political contacts of political parties and movements.

Slovak Party Chief on Goals, Independence

AU1304180591 Vienna DIE PRESSE in German 13-14 Apr 91 p 4

[Interview with Josef Prokes, chairman of the Slovak National Party, by Wolfgang Boehm in Bratislava; date not given: "Give the Slave His Freedom"]

[Text] [Boehm] Your party is openly advocating the secession of Slovakia from the common state with Bohemia and Moravia. What is your view on the separatist demonstrations in Bratislava, during which President Vaclav Havel was physically attacked? What is your view on 14 March, the anniversary of the first Slovak state (1939-1945)?

[Prokes] March 14 reminds us that our own independent state is possible. But we are aware of the fact that many mistakes were committed at that time. A commission of historians is now working on this issue. The state that we want today has nothing to do with that. At that time, 70,000 Jews were deported from Slovakia. However, at the same time, 300,000 Jews from Hungary were also taken to camps; 120,000 Jews were deported from the Czech part.

[Boehm] Did you and your party colleagues not participate in the demonstrations on this day because of the historical events or because the rally was organized by Stanislav Panis, a party colleague who defected?

[Prokes] Panis is too radical. We did not participate because there is no objective information available about the regime that was commemorated. On the other hand, we had been warned in advance that provocations would take place. Havel came with his followers to the demonstration so as to be able to accuse the Slovaks of having a militant attitude afterward.

[Boehm] What do you think of Havel?

[Prokes] He is a Gorbachev. He is much more popular abroad than here. Perhaps he is a good writer; but there are certainly better presidents.

[Boehm] Do you think that secession is possible at all? The Czech and the Slovak part of your country depend on each other very heavily.

[Prokes] There are strong economic links between the two parts. But we do not need a common government because of this. One cannot ask a slave how he imagines the future. First of all, one has to give the slave his freedom so that he can decide on his own. The only possible solution is to establish an independent Slovakia. Afterwards a new model of coexistence with the Czechs can be worked out.

[Boehm] Do you not fear that an attempt by Slovakia to secede might shock Western Europe and prevent Western businesses from investing here? Could you not suffer the same fate as Yugoslavia? At the moment, the EC does not even want to conclude an association agreement with this country.

[Prokes] You are right, but there is also a danger to Western Europe. Unfortunately, Western Europe does not know our true problems. They have not received any objective reports because all information comes from Prague and is manipulated there.

[Boehm] Havel has proposed a referendum on the future of the two parts of the CSFR. Do you see this as a solution?

[Prokes] You know how these referendums are. Think of the Soviet Union. It depends very much on how such a referendum is formulated.

[Boehm] How many Slovaks are for an independent state?

[Prokes] The number is steadily rising. While a few months ago it was only 8 percent, now it is already twice as high, according to the latest polls. It will still take some time until the majority advocates this idea.

[Boehm] Do you think that the increasing desire for an independent state will also have an influence on the next elections?

[Prokes] Yes, of course. At the last elections we won 14 percent of the votes; now we will certainly get more. One year ago it was impossible to demand an independent Slovak state. Today this is already normal. In Prague they are aware of the fact that a new constitution can be worked out only together with Slovakia. The Czechs are afraid that they will be left on their own.

Controversy Surrounding Ambassador Zwack Continues

Zwack To Return to Budapest

LD1304092491 Budapest Domestic Service in Hungarian 0900 GMT 13 Apr 91

[Text] On the Foreign Ministry's instructions, Ambassador Peter Zwack left his post in Washington. Foreign Ministry Spokesman Janos Herman said the diplomat will report to the Foreign Ministry in Budapest on 15 April. Peter Zwack received his dismissal with immediate effect on 10 April according to which he had to leave his post within 48 hours.

Zwack on Leaving With 'Head Held High'

LD1304203791 Budapest MTI in English 1838 GMT 13 Apr 91

[Report on statement by Ambassador to Washington Peter Zwack; place and date not given]

[Text] Budapest, April 13 (MTI)—I leave my post with my head held high, I feel my wife and I have served the country with honour, and the highest economic, political and cultural circles in the United States spoke with appreciation about my work. From now on, I will try to provide further assistance as a private citizen, and I sincerely wish my successor much success and, if the new ambassador so wishes, I will naturally lend support, said Peter Zwack, who was recalled as ambassador to Washington.

Zwack was speaking to the few journalists who managed to find out that the former ambassador returned to Budapest on Saturday afternoon, from Frankfurt.

Zwack said he will not ask for a meeting with Prime Minister Jozsef Antall, and he also does not feel it a breach of the Constitution that he was recalled while the president of the Republic was absent. What he considers strange is that the Foreign Affairs Committee of the National Assembly will not receive him for his report, in spite of his written request for such a meeting. When all is said, he considers his recalling, the reasons for which have still not been given, to be unjust, as he did not make serious mistakes or errors, and he could have helped prevent, by detailing his experiences, that similar cases occur in other embassies. Zwack said he did not return to Budapest filled with anger, he would like to settle the matter, and he offers peace to Foreign Minister Geza Jeszenszky, too, as the interests of the country so demand.

Officials View Zwack Affair

LD1304211491 Budapest Domestic Service in Hungarian 1400 GMT 13 Apr 91

[Interview with Foreign Affaris Committee Chairman Gyula Horn by Jozsef Laszlo with remarks by Istvan Gereben, former secretary of the Federation of Magyars in North America; place and date not given—live or recorded]

[Excerpts] The affair of the dismissal of Peter Zwack, ambassador in Washington, has grown into a real scandal. [passage omitted] Our listeners may be familiar with the many views regarding the whole affair. Now we are adding two more opinions to them. First, Foreign Affairs Committee Chairman Gyula Horn will speak before the microphone of Jozsef Laszlo. [passage omitted]

[Horn] I would like to add that I consider the whole thing to be a very unfortunate, clumsily handled affair. What first of all interests me, as we have been obliged to deal with this, is not whether Geza Jeszenszky or Peter Zwack is right, although I must say that I find it unprecedented. I have never seen anything like this in my life, that an ambassador calls upon his foreign minister to resign. In my time, I would have regarded this as impossible. This is not the point. The point is that this has weakened, harmed the prestige of the country. When we exchanged views on this in the Foreign Affairs Committee on Wednesday, I asked that we close the affair very soon, as it had ruined the country's reputation. [passage omitted]

I also suggested that we hear Peter Zwack and Geza Jeszenzky and also some (?first deputies) [of the Hungarian ambassador] in Washington if necessary. I must say that we were voted down by the government party deputies, 11 to seven. I learned from the press that Mr. Zwack asked for his hearing in site of this. I have not received an official request yet. [passage omited]

I find the decision on which the committee agreed important. According to this, the Foreign Affairs Committee should review last year's experience, and examine how our new embassies operate before the summer season starts. This should be done with the participation of the foreign minister, particularly because it is obvious to everyone that if it is the responsibility of a legislature and its committees, among them the foreign affairs committee, to do something about it. We want to assert this responsibility.

[Laszlo] It also emerged that at some embassies, government party delegations and delegations of the opposition are received in a different way, while these embassies represent the Hungarian Republic after all, or they should represent it.

[Horn] That is right. Well, [National Assembly member] Miklos Gaspar Tamas also raised this, and I also had some similar experience. Some ambassadors, the new ones, differentiate between government party and opposition deputies. This does not mean that we should be caressed, but a parliamentary deputy should be dealt with in accordance with the necessary minimum protocol requirements. I say this without anyone having any special request. The more important aspect of the issue is that an ambassador must represent a republic, a country, and not a political trend or a party.

[Announcer] Istvan Gereben, former secretary of the Federation of Magyars in North America, expert on Hungarian-American relations, told a "Black Box" staff member the following in connection with our country's evaluation in the United States.

[Gereben] I am not satisfied with the work of the Hungarian representation here, because the introducton was a bit strange first of all. [passage omitted]

He also mentioned that he had two very difficult problems with the acceptence of his post as ambassador in the United States. One of them was that he had to relinquish his U.S. citizenship. He did that after a long consideration. The other problem was that the foreign minister asked him if his son, who is a captain in the U.S. Army, was a spy. He answered that he had no knowledge of that, he would not ask his son, and he would not tell it even if he knew. This strange statement raised several eyebrows in Washington.

Not long ago, when he was in Los Angeles, he presented falsehoods as facts, i.e. that we Hungarians were the first to leave the Warsaw Pact. As I know, we have not yet left the Warsaw Pact, no one has yet left the Warsaw Pact only East Germany's membership terminated automatically as a result of the unification. [passage omitted]

Unfortunately, the atmosphere at the embassy in Washington is so tense that everyone is talking about it. It should be eased in some form as soon as possible. The poor relationship between the ambassador and his deputy is obvious. Naturally, those affiliated with the government coalition parties are at the embassy, and we must also acknowledge that they represent Hungarian domestic political issues in a rather partial way. This can be understood in a democratic mechanism; however, it would be advisable to put this partiality aside in foreign political relations. [passage omitted]

Jeszenszky's Dismissal Reportedly Considered

AU1404173591 Budapest MAGYAR HIRLAP in Hungarian 11 Apr 91 pp 1,3

["B.P."-signed report: "Zwack's Immediate Discharge"]

[Text] On Wednesday [10 April], the Hungarian Foreign Ministry recalled Ambassador to Washington Peter Zwack from his post—the decision to take effect immediately. In the past few days, in interviews with MAGYAR HIRLAP and other newspapers, Peter Zwack has been demanding the resignation of Foreign Minister Geza Jeszenszky. At the Wednesday session of the National Assembly Foreign Affairs Committee, Foreign Ministry State Secretary Tamas Katona made several statements indicating that the Foreign Ministry was prepared to learn from this unpleasant incident, and that it would take the necessary measures to improve the professional level of Hungary's diplomatic activities. Eniko Bollobas, first deputy to the ambassador in Washington, is also being recalled, and reliable sources report that the leadership of the Hungarian Democratic Forum and Prime Minister Jozsef Antall are seriously considering dismissing Foreign Minister Geza Jeszenszky.

Geza Jeszenszky, currently on a Scandinavian visit, was unable to attend the Wednesday session of the foreign affairs committee. The Foreign Ministry was represented by Tamas Katona; diplomatic sources in Budapest see Katona as Jeszenszky's most likely successor, if the Foreign Minister were to leave.

Official Foreign Ministry sources were unable to confirm these reports, so the only indication that would strengthen the validity of these reports is the fact that it should have been Minister Jeszenszky who presented the Zwack affair to the foreign affairs committee. The fact that the debate concerning the Zwack affair took place in the minister's absence speaks for itself.

Some government party politicians blame the press and not the politicians involved for what has happened, yet the members of the foreign affairs committee found it extremely urgent to discuss the real problems raised by the way in which Hungary's ambassador to Washington was appointed, dismissed, and removed.

Incidentally, the official statement issued after the Wednesday session of the parliamentary foreign affairs committee stresses that the committee did not believe a hearing of Peter Zwack would be necessary—this clearly implies that the committee does not see the accusations in the press as the key element in this affair. The session took place behind closed doors, but according to an MTI communique, the members of the committee decided to study the question of diplomatic missions before the summer recess, and to discuss the previous activities of ambassadors and embassy officials. At the end of the Foreign Affairs Committee session, Tamas Katona reported on the Zwack affair and its background, and the state secretary promised that, in the future, the Foreign Ministry would "base its personnel policy on completely new foundations," and that the ministry would fill the leading posts of foreign representations only with diplomats who are properly prepared.

Foreign Affairs Official on Moscow, Zwack Affair

AU1104172891 Budapest NEPSZABADSAG in Hungarian 8 Apr 91 p 3

[Interview with Foreign Affairs State Secretary Ferenc Somogyi by Istvan Zalai; place and date not given: "Antall's Trip Sooner Than Later"—first paragraph is NEPSZABADSAG introduction]

[Excerpts] Ferenc Somogyi held negotiations in Moscow last week, and we published an interview with him in our Saturday issue. It only appeared in the second edition because of the early deadline; therefore, we repeat the most important parts in this first edition.

[Zalai] You made an optimistic statement in Moscow about the prospects of a new Hungarian-Soviet bilateral treaty. In spite of this, do you not think that the Hungarian foreign policy is lagging behind? The Romanian president has just signed a treaty in the Soviet capital, and it has been officially announced that President Walesa is expected in Moscow following the Polish prime minister.

[Somogyi] I believe the fact that Hungary is not the first one does not lead to negative conclusions in this case.

The Hungarian-Soviet relations have recently become more lively. [passage omitted]

[Zalai] According to this, Antall's visit to Moscow, which is an evergreen topic, may take place sooner or later?

[Somogyi] Naturally. I very much hope that it will take place sooner than later. The Soviets take the view that this visit will have a great significance, and it will probably open a new phase in our bilateral relations. This is why they would consider it expedient to sign the new Hungarian-Soviet treaty during Antall's visit. I expect that the text of the basic treaty will be finalized by the middle of April, and subsequently the exact timing of the prime minister's visit can be determined.

[Zalai] You handed over the message that Jozsef Antall sent to Mikhail Gorbachev to Foreign Minister Bessmertnykh. Antall suggests bilateral consultations to commence on various levels. Does this mean that we have not had any such consultations yet?

[Somogyi] We have had them. Urging them indicates our intention to solve the problems hindering our relations, with a joint effort. I find it encouraging from this point of view that both sides can examine these problems with more foresight and soberness lately. [passage omitted]

We came to recognize that the problems are not the result of some kind of political intrigue, but they are objective problems arising from the objective situation of the two countries, and it is possible to solve them with a joint effort. [passage omitted]

[Zalai] You were already in Moscow when the Zwack affair became known, and when several members of the Foreign Affairs Committee indicated their need to be briefed. Will such a briefing take place?

[Somogyi] I have no objections to such a briefing held in adequate circumstances, if the Foreign Affairs Committee requires it. [passage omitted]

[Zalai] Considering the news regarding the ambassador and Embassy Counselor Eniko Bollobas, is it not the case, that while a few months ago professional criticism of the ambassador was averted to political reasons, now professional criticism is used for political reasons as an excuse to recall the ambassador. I would refer to a rather explicit statement made by the ambassador—namely that he wished to represent the Hungarian Republic, not the Hungarian Government.

[Somogyi] Indeed, the relationship that has developed between the ambassador and his first subordinate did not contribute to the successful functioning of the embassy. At the same time I do not believe that we averted professional criticism for political reasons previously. The professional problems had been mentioned before. It is also untrue that now we are using professional objections as an excuse to enforce a political standpoint. [passage omitted]

[Zalai] Does the professional criticism also apply to the embassy counselor? Has her recall been considered, too?

[Somogyi] Professional criticism holds true of the whole embassy of course, and the revision of several questions has become necessary in connection with the activities of this post, which is extremely important for us.

FIDESZ on Reactions to Six-Party Negotiations

AU1204170591 Budapest NEPSZABADSAG in Hungarian 8 Apr 91 pp 1, 5

[Interview with Viktor Orban, parliamentary faction leader of the Federation of Young Democrats (FIDESZ), by Attila Fekete; place and date not given: "The Survival of Parliamentary Democracy Is at Stake"—first paragraph is NEPSZABADSAG introduction]

[Excerpts] According to Viktor Orban, there is no danger of the six-party negotiations taking over the National Assembly's or the government's role. If the parliamentary factions of Hungary's political parties are unable to enforce the agreements reached at the six-party negotiations, however, then that will represent the National Assembly's failure.

[Fekete] How do you view the reactions to the six-party negotiation proposal presented by the FIDESZ?

[Orban] On the whole, reactions have been encouraging—after all, nobody has rejected our proposal. We are still waiting for the government coalition's official response, but the statements made by Prime Minister Jozsef Antall on this issue have been reassuring. Furthermore, as far as I can tell, public opinion has reacted favorably to our proposal: There is hope that our political parties will come to an agreement on fundamental issues. Naturally, many questions are also being raised about our proposal, and we have answers to these questions; we will probably issue a statement in the near future to clarify the most important points.

[Fekete] What were the main misgivings?

[Orban] The main misgivings were that six-party coordination could become a substitute for the National Assembly, and that the six-party negotiations threatened to take on the National Assembly's or the government's role. We do not think that these dangers exist; however, we have to realize that from now on, laws will not be elaborated in the same way as before. We have to reassess our legislative work, bearing in mind that in the coming period, the National Assembly will have to draft a great number of bills within a relatively short period of time. By preparing the bills more adequately, the government could take a great burden off the National Assemnbly's shoulders; the government could also decide on many issues within its own sphere of authority if it were more determined and stronger. That is not the case, however. Furthermore, in the past, conceptual divergences on certain bills between the government coalition and the opposition—or among the coalition

parties themselves—only became apparent at Parliament's plenary sessions. [passage omitted]

[Fekete] If it is important for fundamental laws to be based on the broadest possible consensus, would it not be preferable to include other parties and organizations in these coordination talks?

[Orban] When we presented our six-party negotiation proposal, we also referred to the Spanish Moncloa example, where trade unions played an important role in the formulation of agreements. It is, therefore, fair to ask whether Hungary's trade unions should be present at the negotiating table. Personally, I would be pleased if the trade unions could take part; by winning acceptance for measures that will affect living standards, the trade unions will play an important role in the future. Functional disorders at Hungary's trade union roundtable, however, have clearly shown that, at the moment, nobody can say what individuals or forces the different unions actually represent. That is precisely why the fate of trade unions has to be settled during the course of these negotiations. We have to create a situation where trade unions can overcome their current legitimacy crisis and start sitting down for negotiations. [passage omitted]

[Fekete] Many people believe that with its six-party negotiation proposal, the FIDESZ has thrown a life-belt to the government—either consciously or unwittingly—and that it has helped strengthen the government at a problematic stage. Why is that?

[Orban] It may well be that through the six-party negotiations, the government will gain strength, but I would tend to think that it is the opposition that will benefit from this situation, because at coordination talks, we will be able to represent the interests of our electorate in a much better way than at the National Assembly's plenary sessions. Incidentally, at the moment, Hungary needs a determined and strong government, but the Antall government does not fulfill these requirements. I think, however, that there is much more at stake right now than the question of who will gain from the six-party negotiations. The question is whether our parliamentary democracy can survive. Extremists are appearing here and there—I do not think that they represent a serious force at present, although they could become stronger when living standards fall—and if these extremists join forces, that could mean the end of our revived democracy. We have to avoid that situation; we must not let that happen. That is precisely the point on which all parliamentary parties agree. It is the functioning ability of Hungary's new institutions that will be at stake at these negotiations. [passage omitted]

[Fekete] Would the FIDESZ be ready to govern? Do you have a government program, or perhaps a shadow cabinet?

[Orban] No opposition in the world has a government program. The opposition merely has a program—it has to have a program—and if the opposition happens to come to power, that program can basically be transformed into a government program within two or three weeks. The FIDESZ does have such a program. We even have some sort of a shadow cabinet. If you observe Hungary's parliamentary procedures more closely, you will notice that it is always the same faction members who speak on certain issues. We also have several experts, and many of our experts would be suitable for government.

Horn Reviews Relations With Neighboring Countries

LD1404133991 Budapest Domestic Service in Hungarian 0630 GMT 14 Apr 91

[Statement by Foreign Affaris Committee Chairman Gyula Horn; place and date not given—recorded]

[Excerpt] The chairman of the Foreign Affairs Committee will travel to Moscow today, heading a delegation. Now Gyula Horn will speak about how he sees the relations between our country and the neighboring countries.

[Horn] For our security a whole set, a whole system of agreements should be concluded with both our eastern neighbors—the states of Central and Eastern Europe—and with the West. We should strive for good relations with the neighbors with all possible means. I find it a key issue. This does not mean that we should say nothing if the Magyardom is mistreated in the neighborhood. No, we do indeed have to raise that issue—moreover, this also involves, for instance, that we set it as a condition of Hungarian-Romanian bilateral relations that the Romanian Government, the Romanian power structure, establish a normal, good relationship with the nationalities. It should guarantee the assertion of their rights.

We must not, however, intervene in the other internal affairs of Romania, by any means. We must not allow any irritating manifestations, any offhand manner in the treatment of our neighbor. Let me make another example. Which member state of Yugoslavia is the right one in our relationship with each other is Yugoslavia's business. In other words, the debate between the Croats and the Serbs should not be judged in Budapest. As to whether Slovenia should leave the Yugoslavian federation or not—this is not a Hungarian affair, not a Hungarian internal affair. Let this be their business. Even great powers cannot afford to intervene in this. These are very sensitive things.

How the Magyardom in Vojvodina or in Croatia is treated concerns us, too, of course, without us taking state responsibility for the Hungarians there. It is very important that no suspicion should arise in our neighbors that Hungary might have any kind of territorial demand. I do not think that any sober man in Hungary would think about such a thing now. [passage omitted]

[Budapest Domestic Service in Hungarian at 0900 GMT on 14 April adds: "A six-party delegation of the National Assembly's Foreign Affairs Committee, headed by Committee Chairman Gyula Horn has left for Moscow. The delegation will hold talks with Russian, Ukrainian, and Soviet parliamentary deputies and politicians. According to the information of VASARNAPI HIREK [SUNDAY NEWS], about the visit of the delegation,

Prime Minister Antall was of the opinion that a delegation whose may coincide with the government's mandate might be more dangerous than useful."]

Views Coming Parliamentary Visit to USSR

LD1404170491 Budapest Domestic Service in Hungarian 1000 GMT 14 Apr 91

[Interview with Foreign Affairs Committee Chairman Gyula Horn by Jozsef Laszlo; place and date not given—recorded]

[Text] The six-party delegation of the Hungarian National Assembly's Foreign Affairs Committee has left for Moscow. The delegation will hold talks with Russian, Ukrainian, and Soviet parliamentary deputies and politicians.

[Laszlo] When were you last in Moscow?

[Horn] Last year on 10 March, when I signed the agreement with Shevardnadze on the withdrawal of Soviet troops.

[Laszlo] During this one year relations between the two countries have changed, to say the least.

[Horn] Relations have naturally changed. A significant part of the changes can be put down to objective reasons. First, I mean a change in the political structure and a change of power has taken place in Hungary while, as we know, this has not transpired in the Soviet Union. The other thing is that the Warsaw Pact and the CEMA have practically ceased to exist. As we know, the leading power in these organizations is the Soviet Union. Something new has not developed yet on the level of bilateral relations. So the hold has ceased to exist, but the new does not work yet—that is, the bases of the new are merging now.

[Laszlo] Whose idea was the six-party visit?

[Horn] This is the six-party delegation of the Foreign Affairs Committee. Originally I initiated this and the committee agreed. I would also like to add that I have suggested a meeting with all the neighbors, and my fellow deputies agreed with this, too. My view is that we have to use every opportunity, especially the opportnity of parliamentary relations, to improve, settle our relations with our neighbors, as this is a vital issue for us.

Smalholders' Party Wants Constitution Changed

LD1104185591 Budapest MTI in English 1451 GMT 11 Apr 91

[Text] Budapest, April 11 (MTI)—The Independent Smallholders' Party proposes that parliament draft a new constitution, because the current one dating from the Stalinist era fails to comply with the present-day requirements even in its amended form, Secretary General Sandor Olah told the press in Budpest on Thursday. He said the party's draft resolution had already been presented to Gyorgy Szabad, speaker of parliament.

Should the compensation law fail to be carried by parliament, the Smallholders might withdraw from the coalition, but the question is up to the national board meeting of April 27 to decide, party president Jozsef Ferenc Nagy stated.

Nagy and Vice-President Sandor Cseh warned that the situation was so tense in the country that, should no act be passed, a civil disobedience movement could well spring up as a result. However, they added, the law could also be blocked by the Smallholders, whose parliamentary group expects for an agreement to be reached on Monday to the effect that they will only vote for the bill if they can successfully move on three points, yet to be publicized.

Jeszenszky Returns From European Tour; Comments

LD1304200891 Budapest MTI in English 1852 GMT 13 Apr 91

[Text] Budapest, April 13 (MTI)—Hungarian Foreign Minister Geza Jeszenszky on Saturday returned from his tour to four countries: Great Britain (which he visited in an unofficial capacity), Norway, Denmark and Ireland.

The foreign minister told journalists at the airport his visits were successful, and served the re-orientation of Hungarian foreign policy, and the intensification of relations with the West.

Jeszenszky said his Danish and Irish partners made firm promises to far-reachingly support the Hungarian efforts aimed at winning membership in the European communities. Jeszenszky termed it very favourable that his negotiating partners consider Hungary to be the most promising country of the region, with respect to the political and economic processes. They also told the foreign minister they support the Hungarian effort aimed at setting down in the text of the associate contract, although in a way that does not imply the acceptance of obligations, that the contract is practically the preparation of gaining full-right membership.

Answering questions from journalists, Foreign Minister Jeszenszky said he does not consider the accusations made public by Peter Zwack, the ambassador recalled from his post in Washington, to be personal, but rather as an attack against Hungarian foreign policy and the Foreign Ministry. This is why he would like to answer these before the competent bodies, mainly the Foreign Affairs Committee of parliament.

Jeszenszky considered the debate unfortunate, however, he does not believe the extremely good Hungarian-American relations will suffer in the wake of it.

Antall's News Conference Highlights Year's Events

LD1004224491 Budapest MTI in English 1658 GMT 10 Apr 91

[Text] Budapest, April 10 (MTI)—Hungarian Prime Minister and President of the Hungarian Democratic Forum

(HDF) Jozsef Antall held an international press briefing in the Budapest headquarters of the HDF on Wednesday.

Outlining the most important political and social events of last year, he called attention to the fact that the HDF has always strived for the restoration of Hungary's sovereignty. The most significant results of the government's endeavours in this respect were the agreements on the withdrawal of Soviet troops from Hungary and that on the dismantling of the military organization of the Warsaw Pact.

In the wake of the process of restoring the country's sovereignty, issues of Hungary's foreign policy have come to the fore. The government has succeeded in developing close ties with the Atlantic region.

The government has always observed its obligations in maintaining good relations with neighbouring countries.

Hungary seeks to maintain good-neighbourly ties with the Soviet Union and there are hopes that, after the completion of the troops withdrawal, ties may even be described as "friendly". A renewal of co-operation is marked by the bilateral agreement between Hungary and the Soviet Union, currently in the pipeline.

Hungary wishes to develop good ties with other neighbouring countries as well. There are, of course, some unresolved issues, e.g. the minorities, that may cause tensions in some cases but leave hungary's basic attitude unchanged. At this point, the prime minister mentioned the issue of the Gabcikovo-Nagymaros hydro-electric dam system, adding that a series of talks is to be held to settle this matter.

Hungary also seeks to form good, stable ties with Yugoslavia, both at a federal level and with the republics. The tensions that have developed recently should not hinder this process.

Hungary's relations with Austria are good and friendly. According to the government's view, it would be advisable to organize the Budapest-Vienna world expo in 1995, as originally scheduled. Should Austria decide in favour of the expo, Hungary must participate, Antall stated.

Speaking about last year's successes, the prime minister underlined the stabilization of the new constitutional order and the establishment of basic institutions of parliamentary democracy, as results of the efficient contribution of his party, the HDF.

As regards economic issues, he stressed that last year the government's monetary policy succeeded in making the country financially stable. It is a most welcome phenomenon, that the reserves of the National Bank of Hungary have doubled and the state budget showed no deficit last year as opposed to the 54,000-million forint deficit at the time of the previous government's departure from office.

Hungary will not abandon the Soviet market and will seize every opportunity to maintain its presence there, including the eventual assistance of a third country, the prime minister stressed. The development of economic ties, however, is hindered by the fact that it is still unclear how the Soviet central authority and the republics are to share economic responsibility. Hungary wishes to overcome these difficulties by developing bilateral ties.

Antall Interviewed on Ownership Relations

LD1404220291 Budapest MTV Television Network in Hungarian 1700 GMT 14 Apr 91

[Interview with Prime Minister Jozsef Antall by unidentified reporter; place and date not given—recorded]

[Excerpts] [passage omitted] [Antall] The past year, it can be said, has been rich in successes, difficulties, and in failures, if you like. Naturally, everybody places emphasis on what, according to his heart and conviction, is more important. [passage omitted]

[Reporter] Then he said this about the draft compensation law, which is the most important, but nonetheless most disputed, question of the transformation:

[Antall] Without sorting out Hungarian ownership relations it is not possible to ensure a sense of security for domestic and foreign investors. Until the issue is settled—that is, that what they buy or invest in is unquestionable as property—this is the fundamental issue. The reason it could not be submitted to the National Assembly earlier is not that we did not realize its importance, but because the debate continued indicating that where the issue of ownership relations is concerned it is not possible to create a national consensus. There is no alternative left, but a decision by a majority of the National Assembly which represents the will of the people.

[Reporter] Touching on foreign political issues, he singled out first of all the rapid collapse of the Soviet market, which means at the same time a significant reduction of our trade opportunities. In the government's view, however, it cannot result in the deterioration of continuing relations between the two countries.

Still, when we are speaking about good-neighborly relations, there are open and unsolved issue, too. The prime minister listed among these the fate of Bos-Nagymaros, which has not been settled to date, and the difficulties [created] by the Romanian side concerning the opening of the Hungarian consulate in Cluj. Finally, he referred to the debate around the holding of the World Exhibition, saying the government proposes the holding of the expo in 1995 with as little budget expenditure as possible and mostly on an entrepreneurial basis. [passage omitted]

Government Spokesman Briefs Press on Economics

LD1204164191 Budapest MTI in English 1330 GMT 12 Apr 91

[Text] Budapest, April 12 (MTI)—Hungary has no final privatization strategy for the moment. It has not yet been decided which part of the current state assets are to be retained or whether all economic sectors will be made

open to domestic and foreign capital investors, government spokesman Laszlo Balazs told the press in Budapest on Friday.

The spokesman outlined the latest government decision to dissolve the National Oil and Gas Trust (NOGT) [OKGT] by separating the 11 supply industrial and gas distributing companies, three oil industrial machine factories, the hydrocarbon industrial research institute and the oil industrial planning and general contractor's office. These firms will be placed under state supervision by June 30 and turned into a public limited company by the end of the year.

The government decided to support the setting up of a joint venture by General Motors and the Raba Hungarian Waggon and Machine Factory by a sum of 700 million forints, and thus become a shareholder in the venture producing Opel Kadetts. The government did not rule out the possibility of selling these shares later on.

As of April 15, petrol prices will go up by 3 forints in Hungary, because the compulsory insurance fee will be covered by the 6.20 forints built in petrol prices up to July 1. (The compulsory insurance fee used to be 1.20 forints per litre, and now the National Oil and Gas Trust has agreed to reduce the producer's price of every grade of petrol by 2 forints a litre, with consumers paying the remaining 3 forints.)

From July 1 onwards, the insurance fee will be removed from the price of petrol and new insurance policies introduced. (As of April 15, one litre of 98-octane petrol will cost 59 forints.)

Balazs Laszlo announced that a Hungarian delegation, headed by Prime Minister Jozsef Antall, would attend the opening ceremony of the European Bank for Reconstruction and Development on April 15. The prime minister is scheduled to meet British Prime Minister John Major, and there are also preparatory talks about a Hungarian-Soviet prime ministerial meeting.

Antall Leaves for EBRD Inaugural in London

LD1404165391 Budapest MTI in English 1341 GMT 14 Apr 91

[Text] Budapest, April 14 (MTI)—Hungarian Prime Minister Jozsef Antall left for London on Sunday afternoon, to attend the ceremonial founding session of the European Bank for Reconstruction and Development (EBRD). The heads of states and prime ministers of many European countries will be present at the London ceremony. Several bilateral meetings are expected to be held prior to, and after, the opening. According to preliminary information, Antall is to hold talks with British Prime Minister John Major, and French President Francois Mitterrand. MTI has learned Antall will meet Soviet Prime Minister Valentin Pavlov a few hours after his arrival. The Hungarian prime minister is scheduled to have dinner with former British Prime Minister Margaret Thatcher on Sunday evening.

The new bank is to provide financial means to the East European democracies in the interest that the economic transformation problems of these countries not hinder development. The Hungarian delegation attending the opening of the bank includes Minister of Finance Mihaly Kupa and Gyorgy Suranyi, president of the National Bank of Hungary.

Fur Interviewed on East Europe Military Relations

LD1404131891 Budapest Domestic Service in Hungarian 0630 GMT 14 Apr 91

[Interview with Defense Minister Lajos Fur by Zsolt Szalai; place and date not given—recorded]

[Excerpts] This week Hungarian-Soviet talks continued in Moscow on the withdrawal of Soviet troops and financial issues. We already have a defense ministerial agreement with Romania—thus according to the signs military diplomacy is ahead of foreign diplomacy. This is, among other things, what editor in chief Zsolt Szalai asked Defense Minister Lajos Fur about.

[Fur] I do not believe that the military diplomacy of the military leadership would go in separate ways. This fits organically into the foreign political endeavors of the country—namely that we want to normalize our relations with our neighbors in the most successful way possible, to make them very good-neighborly relations in the real sense. In certain areas, it is ahead in settling relations because it can be ahead, because this is possible, as the different kinds of troubles between the countries are not of military character but of different character, while military relations have had certain traditions. Cooperation was very good earlier, too, as a result of the Warsaw Pact itself.

[Szalai] Do you find it strange that while the two foreign ministers are not able to meet—and somehow this symbolizes the whole of the political relations—you have an excellent relationship with your Romanian partner?

[Fur] That is exactly what I also want to say—that this relationship we could create can be useful from two points of view: On the one hand it can quell the mistrust that could evolve from the political tension, and on the other hand perhaps on a military level, too.

[Szalai] Regarding the agreements I heard, or rather read, that you had also held talks with the Soviet Union on a similar agreement, but you wanted to wait until the last Soviet soldier left Hungary. Is that true?

[Fur] The information is not entirely accurate. Let me correct it. We already started talks with the Soviet Union on a bilateral agreement at the end of last year. We sent the plan we found important for the conclusion of this bilateral agreement to Moscow.

[Szalai] What would this agreement regulate?

[Fur] Well, the same things we regulated with Romania and Czechoslovakia. The only difference is that in the

Soviet relations—apart from bilateral military relations that involve education, viewing military exercises, making friends between troops, war history, culture, and sport—there would also be a very important area—namely, the conclusion of general agreements on the purchase of military engineering to provide a fresh supply of parts for Hungarian military engineering, because the Hungarian military would be paralyzed without that. We have begun, and the talks continue even today. We received very positive replies. Recently the Soviets sent their views regarding the bilateral agreement. The only thing they asked is that this agreement be concluded only after the interstate treaty of the two countries. This may take place. I do not know when Prime Minister Antall will travel to Moscow, but if they can manage to sign that there, then we would be able to sign this within a week or two. [passage omitted]

[Szalai] In my judgement, this Eastern European network is still a bit faulty. Our next topic is Yugoslavia. I wonder if some kind of calming down or improvement can be seen after the troublesome developments of the last six months? I reckon that talks should also be held with Yugoslavia on how to conclude such a military agreement and with whom. The great powers seem to show more intense interest in the maintenance of the federation—that is, in the preservation of the Yugoslav federal state.

[Fur] Yes. This would be necessary, by all means. In other interviews I have already said that an official visit to Belgrade at the end of last year, in December, was prepared for me. One of its important tasks would have been simply to prepare, or conlcude in some way if possible, a bilateral military agreement. [passage omitted] It is indeed because of the various signs of destabilization there that it is very important that our relations be settled at least militarily with Yugoslavia, regardless of the development of its internal troubles.

Finance Minister on German Economic Support

LD1404145191 Budapest Domestic Service in Hungarian 0630 GMT 14 Apr 91

[Interview with Finance Minister Mihaly Kupa by Gyorgy Bernath; place and date not given—recorded]

[Text] One of the German papers described the situation of the Hungarian economy as a no win situation this week, as Hungarian products are difficult to sell both to the East and the West, though for different reasons. What kind of assistance can one of the world's most powerful economies—the German—provide when it appears that they will have more troubles with the former GDR that they thought? Gyorgy Bernath interviewed Mihaly Kupa on his visit there.

[Bernath] The German politicians keep repeating in all their speeches that the countries of Central and Eastern Europe must be supported. Then they also mention Hungary as a reform state, saying that this is an aid to the European future—moreover, an investment. At the same time, however, the western part of the country, from which we can expect help, has put on enormous burdens in the transformation of the eastern territories to the market economy. That is why I asked the Hungarian minister of finance, after his talks in Bonn, if he had been indicated—or if can we still believe—that we would receive something from the Germans.

[Kupa] I think there is some kind of naivity. People think—I speak in general—that if a finance minister goes somewhere, he will immediately bring money home. This is not the task of the finance minister. Another piece of naivite we have to overcome is that we deserve special support because there is democracy in Hungary, or because we are building a market economy. In Western Europe this is an absolutely natural thing. The third is that I held very cordial talks, if I may say, with the Germans, and the Germans continue to support Hungary economically, politically, and about the EEC, despite the plenty of trouble that they themselves have, and which they do not conceal.

[Bernath] The next problem, however, is in connection with exactly this. Should we be afraid that the assistance will gradually become theoretical rather than practical?

[Kupa] This is already concrete support, for we have not yet used the credit possibilities available, and they always mention this. Furthermore, the Commercial Bank overvalued the Hungarian bond by 150 million marks, and it went within three hours. This means that in Germany there is very strong confidence in Hungary. The third thing is that they will support Hungary in the EBRD—that is, the bank headed by Attali. We discussed that.

[Bernath] Let me interrupt you—this is the certain bank, the bank of Eastern Europe, or officially the European Bank for Reconstruction and Development, that has just now been established.

[Kupa] Fourth, I spoke to them about the peculiar Hungarian problems, such as eastern trade, EEC, and I believe we can expect help in these areas, too. Here I said one thing very clearly. Hungary needs two things—not credit; it needs market and investment. They are ready for both. I understand that some German banks also want to come in. As for the market, we have to battle hard and bargain, parlicularly in the territory of agriculture. I understand that Hungary is well worth their interest, and if we could finally settle the property relations then they would come, because the Germans are stable investors and do not like unsettled relations.

President Walesa Comments on Visit to France

LD1104194991 Warsaw Domestic Service in Polish 1700 GMT 11 Apr 91

[Andrzej Jelenski report from Warsaw military airport—recorded]

[Text] The time is 1805. I am at the military airport at the Warsaw Okecie. A special plane has just landed; on board are President of the Republic Lech Walesa and his wife, as well as Prime Minister Jan Krzysztof Bielecki and his wife, and the government delegation. They have ended a three-day official visit to France. The returning president is being welcomed at the airport by Sejm speaker Mikolaj Kozakiewicz, Senate speaker Andrzej Stelmachowski, Minister of State from the President's Chancellery Lech Kaczynski, and other personalities.

Mr. President, did everything go successfully in Paris?

[Walesa] The results of this visit will be seen by its effects—that is one thing. Second, it would seem that this has been the most effective visit—it should be, to our minds. Let us wait...

[Unidentified reporter] Do you mean that it was more effective than the visit to the United States?

[Walesa] Well, it has to be measured on a different scale. We are, after all, in Europe, and in this Europe France is really a very important element. That is why we wanted to prove that it lies in the interests of France, of us all, for France to be more active in the changes that are taking place in Europe.

Bielecki on Success of French Visit

LD1104200391 Warsaw Domestic Service in Polish 1700 GMT 11 Apr 91

[Interview with Prime Minister Kryzsztof Bielecki by Andrzej Jelenski and unidentified reporter; place and date not given—live or recorded]

[Text] [Jelenski] Prime Minister, I am from the radio's First Program. Good evening.

[Bielecki] Good evening.

[Jelenski] What success did you have in Paris? Did everything go according to your wishes, according to what you said before you took off? What did the talks with Prime Minister Rocard bring?

[Bielecki] We are talking here about the additional things that happened, for most of what happened is already known. I think an important point is this additional contribution of France in the reduction of the Polish debt—something which will probably enable us to increase the means for the fund for the protection of the environment, a very important matter in Poland.

[Jelenski] This is something like the American write-off?

[Bielecki] Like the American one, yes. This is the first matter. As far as [word indistinct] is concern, we shall see. We have raised the fact that we see ourselves as a country freeing itself from the fourth group; that is, from the worst one.

[Jelenski, interrupting] (?And entering the second group?)

[Bielecki] Well—to enter the second one would be like first class, in effect. However, the important thing is to move in the right direction and I think that this is a question of a few months. Apart from that the prime minister [Rocard] was ready to talk about specific undertakings he is proposing to the Polish side, and he wanted to know what we thought about this.

[Jelenski] You have returned smiling, pleased, so everything would seem to be successful?

[Bielecki] That's what I think. Thank you.

[Jelenski] Thank you very much.

[Reporter] Mr. Premier, everybody knows that Polish-French economic relations are lagging behind the development in our political contacts. Did you, during this visit, manage to attract some specific French firms to invest in Poland?

[Bielecki] Premier Rocard gave six specific examples which concerned the possibility of cooperation between French and Polish enterprises. Some (?contracts), it seems, can be arranged straightaway, and one can speak about results in terms of days. I mean here, first and foremost, a contract with Thomson; to conclude it, only the acceptance of the french side is required; they are supposed to provide guarantees for a credit of 300 million frances.

I would like to say one more thing. The French are doing an important thing: Namely, they are helping in the process of the restructuring of Walbrzych. This is not a project subject to competition, this is not a project which is very attractive for the Western world, nonetheless they are helping because they think that it is important for Poland.

Reportage on Lech Walesa Visit to France

WA1204154391

For reportage on the visit by President Lech Walesa to France, including reports on his talks with President Francois Mitterrand and other officials, see the France section of the 10 April West Europe DAILY REPORT and subsequent issues.

Soviet Troop Withdrawal Talks End

LD1204191191 Warsaw Domestic Service in Polish 1700 GMT 12 Apr 91

[Excerpt] Another round of talks on transit and withdrawal of the Soviet Armed Forces from Poland has

ended. There is still no agreement on how property and financial assets will be settled. Likewise the Soviet side did not present any deadlines for the withdrawal of its units from our territory. The most work has been done on the agreement on transit. Witold Chodakiewicz, undersecretary in the Ministry of Transport and Maritime Economy, reports the following:

[Begin Chodakiewicz recording] So far, two elements have not been agreed to, and they concern the mutual penalties and how to pay them. It was clear that the Soviets wanted to consult these matters in Moscow. Other issues are as follows: Everyone will travel by rail, there will definitely be no road transit, air transport has been agreed to in full, and sea transport has been taken out of the agreement—the Soviet Union will make an appropriate statement that their sea transit will not constitute any danger for navigation and that it will be outside Polish territorial waters. We are ready to carry the transit along these four routes. [end recording] [passage omitted]

Transport To Facilitate USSR Troop Withdrawal

LD1204174491 Warsaw PAP in English 1601 GMT 12 Apr 91

[Text] Warsaw, April 12—Undersecretary of State in the Ministry of Transportation and Maritime Economy Witold Chodakiewicz said here today that Polish state railways PKP were able to provide necessary facilities to transport Soviet troops out of Poland by the end of 1991 and for transit of Soviet troops from Germany to the USSR.

The undersecretary made the statement during the sixth round of Polish-Soviet talks on the withdrawal of troops being held here.

According to Chodakiewicz, the PKP could secure eight 40-wagon trains daily for the withdrawing troops and could handle 16 transit trains. Fees for the rail transportation were settled earlier this month in an agreement between the PKP and Soviet Ministry of Railways.

Border Crossing With Germany Temporarily Closed

LD1404213491 Warsaw TVP Television Network in Polish 2025 GMT 14 Apr 91

[Excerpt] The Polish-German border crossing at Gorlitz was closed for 90 minutes due to a neo-Nazi demonstration. Fifty Germans chanted anti-Polish slogans and occupied the exit route. [passage omitted]

Bielecki Addresses Christian Democrats Conference

LD1404175191 Warsaw PAP in English 1221 GMT 14 Apr 91

[Text] Warsaw, April 14—Some hundred representatives of Christian Democratic parties and organizations from all over Europe gathered here today to discuss the role of Christian Democracy in the process of uniting europe. The debates of the international conference are also attended by representatives of Poland's Christian Democratic parties.

Polish Senate Speaker Andrzej Stelmachowski told the conference that those who associate Christian ideas with this country's transformations could not be absent on the political scene in Poland.

[Warsaw Domestic Service in Polish at 1400 GMT on 14 April adds: "Before his flight to London Prime Minister Jan Krzysztof Bielecki met with participants of the international conference currently taking place in Warsaw and devoted to the role of Christian Democracy in the unification process of Europe. The prime minister expressed his hope that the activities of Christian Democratic groups bring the best possible fruit to shape the increase in the number of their voters as well as support in various milieus."]

Council of Ministers Amends Banking Legislation

AU1204104891 Warsaw PAP in English 2028 GMT 9 Apr 91

[Text] Warsaw, April 9—The Council of Ministers adopted today draft amendments to the banking law and the law on the National Bank of Poland (NBP) and approved major provisions of privatization of the banking sector.

Together with the National Bank of Poland and in cooperation with the World Bank and the International Monetary Fund, the government has launched preparations for a reform of the state commercial banks. Well-known international firms are working out proposals for structural changes, partnership contacts with renowned foreign banks are being established. A loan negotiated with the World Bank should solve, among other things, the problem of automating the settlement of accounts.

The draft proposes an annulment of the obligation of commercial banks to reckon with the central monetary policy and the duty to accumulate financial means at banking accounts by economic units. The Council of Banks is to be dissolved and the banks's cooperation with foreign banks and international financial institutions is no longer to be coordinated by the National Bank of Poland.

There are plans to set up boards of directors, superior to banks' managements, to be composed of specialists and entitled to undertake firm measures in case of irregularities in the operation of a bank.

The NBP president, to be elected for a definite term of office, will be obliged to submit a report on his monetary policy to the Sejm (lower house). It is also planned to appoint an economic council attached to the NBP head to examine the efficiency of the whole banking system.

According to the government, changes in the banking sector depend mostly on ownership transformations.

The liberal licensing policy is conducive to setting up new banks. In 1990 over 50 banks were formed, most of them private.

State commercial banks are to undergo privatization in the first place. It is assumed that as a result of the transformation initially 30 percent of banks' shares would be held by the state treasury, 40-50 percent by polish investors, 10-20 percent by foreign ones, and 10 percent would be sold at preferential prices to banks' employees.

This year it is possible to privatize 2-3 banks from among 9 commercial banks formed from NBP regional branches. This will be the initial stage of privatization in this sector.

The Council of Ministers adopted the payment balance for 1990 indicating a considerable improvement in trade turnover. For the first time since 1971, a surplus in current turnover was recorded, amounting to 2.2 billion dollars in last year's hard currency trade. In relation to 1989 exports for convertible currencies increased by 43 percent.

The Council of Ministers adopted draft amendments to the law on financial economy of state enterprises which limit the possibilities of an enterprise to administer fixed assets and post-tax profit for distribution.

Following the liberation of Kuwait and the conclusion of the Iraqi-Kuwaiti conflict, the Council of Ministers lifted the embargo on trade with Kuwait introduced in tune with the UN resolution.

Minister Says Currency Reserves Not in Danger

LD1104185191 Warsaw PAP in English 1457 GMT 11 Apr 91

[Text] Warsaw, April 11—Poland's currency reserves total at present some 6 billion dollars and they are not imperilled, Finance Vice-Minister Stefan Kawalec told PAP today adding he does not see any danger of an outflow of currency from the country.

Population's currency deposits decreased by 4 trillion zlotys in the first quarter of this year, mainly due to better interests on deposits in zlotys, a ministry official said.

According to the Finance Ministry, fears that the growing private imports can cause the outflow of currency from Poland are groundless as this country reports a surplus in its foreign trade balance.

Warsaw Stock Exchange Established

LD1204175491 Warsaw PAP in English 1546 GMT 12 Apr 91

[Text] Warsaw, April 12—Polish Vice-Premier Leszek Balcerowicz and Minister for Ownership Transformations Janusz Lewandowski signed here today a notary act setting up a stock company to run a stock exchange in Warsaw.

The exchange, to be seated in the former Communist Party headquarters, will start regular operation in June but the first exchange session is going to take place next Tuesday [16 April].

The joint stock capital of the company owned by the state treasury totals 60 billion zloties and shares in it are to be sold to brokers offices and banks dealing with broking.

Wieslaw Rozlucki of the Ministry for Ownership Transformations has been appointed head of the company. A 12-strong board of directors was named as well.

Economic Body Views Economic Legislation

AU1104141691 Warsaw PAP in English 1742 GMT 8 Apr 91

[Text] Warsaw, April 8—The Economic Committee of the Council of Ministers (KERM) met here today to discuss the draft government programme for the development of competition in Poland in 1991-1993 drafted by the Anti-Monopoly Office.

The draft programme is of a general character and centres on the intensification of activities aimed to attain changes in the economic mechanisms stimulating competition and a deconcentration of production and services as well as to counteract monopolist practices.

Before the draft is submitted to the Council of Ministers it will be supplemented with detailed schedules of action drafted by individual ministries and central offices.

KERM also assessed today the implementation of the law on changes in the functioning of cooperatives of January 20, 1990 and examined a draft government stand on three different drafts of a new cooperative law prepared by the Sejm and the Senate.

The three drafts, which vary in detail, are concordant in proposing ownership transformations which would give cooperatives greater freedom in conducting economic activity and further eliminate financial restrictions.

KERM approved the draft government stand on the proposed parliamentary bills, which says that the changes should allow for the promotion of cooperatives formed by natural persons, for the distribution of financial surplus on the basis of cooperative statutes exclusively and for the possibility to valorize the shareholders fund from the resources fund.

Speaking after the KERM session, Ryszard Pazura, vice-minister of finance and government's plenipotentiary for cooperatives, said that over 150 cooperative units at central level and more than 1,000 at regional level were being liquidated at present. However, the liquidation proceeds slowly due to the gaps in the existing legal regulations, he stressed.

Referring to the suspended right of cooperatives to form associations, which is a move criticized by the Constitutional Tribunal, Pazura stressed that it was necessary to find such a solution which would guarantee that the restoration of this right did not lead to the reemergence of the old structures.

Democratic Party Voices Need for New Image

AU1204144991 Warsaw ZYCIE WARSZAWY in Polish 8 Apr 91 p 3

[Interview with Aleksander Mackiewicz, chairman of the Democratic Party, by Zdzislaw Zaryczny; place and date not given: "A Matter of Choice"]

[Excerpts] [Zaryczny] From the 17 August 1989, when the leaders of "Solidarity," the Polish Peasant Party [ZSL], and the Democratic Party [SD], posed together for photographers and declared that they were intent on forming a "coalition government of national responsibility," a full 18 months have elapsed. Then, the SD was at the center of big politics, now it finds itself on the political sidelines. Why?

[Mackiewicz] Let us not exaggerate, the SD was never a full partner in that game. It was a mere pawn. The coalition you have mentioned was a brief alliance used to destroy the power of the Polish United Workers Party. Our votes were needed and we supported Walesa's plan. The "honeymoon" that followed was very short. The SD and the ZSL were quickly pushed aside and made into scapegoats. [passage omitted]

[Zaryczny] Your critics accuse you of being a faceless party, without any prominent politicians, and without personality, but a rich one....

[Mackiewicz] I do not think the SD is faceless. We have simply failed to project our image. This is because of various misconceptions prevalent in our party's top circles and a lack of wider access to the media. I hope that this chapter is now closed. I place great hope in our party's upcoming 15th congress, which should project a new image of the SD, as an attractive, dynamic party that is worth joining.

[Zaryczny] Whose party will this renewed SD be? Whose interests will it represent?

[Mackiewicz] We cannot address our political program to only one social class. That would be a mistake. Our critics are already calling us a "party of shopkeepers." We are not, and we will not be a party that represents the interests of one social group. The SD aims to be a national party that exerts an influence on the future political system in Poland. Our congress will produce a political program of universal appeal. I do not want to go into details, for these will be decided by the delegates, but there are three main points I can outline. First, the basis for our political activity is the principle of inviolability of human and civil rights. Second, we totally support the principle of a parliamentary democracy that counterbalances the Sejm's, the president's, and the government's powers. We would abolish the Senate. Third, we support the principle of a social free market economy, but we assert the equality of all ownership forms and accept the necessity of state intervention.

I hope that various social groups will find the SD's program attractive. I am particularly counting on the fast developing middle class, entrepreneurs, businessmen, the intelligentsia, and agricultural producers. In short, all those people who generate initiatives and stimulate economic development.

[Zaryczny] If one applies the somewhat stereotyped political spectrum classification, the SD would appear to be somewhere in the middle. Is it left or right of center?

[Mackiewicz] Simply, in the center. We are seeking electoral partners in precisely this area of the spectrum. I would be very happy if we could craft a coalition of democratic and liberal forces with the liberal-democratic wing of the peasant movement. I believe that such a coalition would stand a good chance of winning the next election and give Poland stability for years to come, not just months. I do not know whether such a project is viable, because many people are against such an alliance. The discussions I have had with several leaders of liberal and peasant party groupings have shown that this line could be promising. [passage omitted]

[Zaryczny] Let us be frank, the SD is faced with a choice: Either it gathers itself together and emerges from its congress as a united party, capable of shaping the fate of the nation, or it emerges as an association of businessmen who will continue to do good business and bask in mutual adoration, but without any influence on political life.

[Mackiewicz] I see things differently. The most important question for us is: Can the SD survive, or will it—like a defenseless child—allow itself to be distorted by other powerful political centers?

[Zaryczny] Does the SD have the will to survive? Perhaps the era of the SD has come to an end.

[Mackiewicz] In my opinion the era of the SD—as an independent and sovereign party that does not deny its history and is able to offer society a road of changes that will lead it towards greater security and wellbeing—is only beginning. The times of bickering and protests have passed. The weight attached to past services rendered is diminished. The future belongs to liberal and democratic forces that promise stability and development.

I hope that the SD, often called "the party of wasted chances," will finally shake off its image from the satellite era, will put a stop to the internal conflicts, make the best of its opportunities, and reach out for political success. I would like to see that happen.

Democratic Party Congress Reelects Party Chairman

LD1404214191 Warsaw PAP in English 1946 GMT 14 Apr 91

[Text] Pulawy, April 14—The 15th extraordinary Congress of the Democratic Party (SD) which wound up its debates here today reelected Aleksander Mackiewicz SD chairman with 127 votes for his candidature.

The Congress, attended by 200 delegates, adopted a statement on mass media with particular emphasis on television in which it stressed dissatisfaction with the way Polish society was informed about the course of the debates.

While addressing the Congress, Mackiewicz said the Democratic Party was a party of a great chance. Its intellectual capital makes it possible for the party to take a significant place on Poland's political scene, he stressed.

Later in the day, Aleksander Mackiewicz told a press conference here that the Democratic Party wanted to be independent and modern and added that testifying to this were the results of the congress which he termed as the one of fulfiled hopes.

In the opinion of the sd leader the debates were marked by pragmatic nature, devotion to tradition and concern for the country. New generation of politicians will decisively promote our programme of a centre, Liberal-Democratic party, he said.

While speaking about the Liberal-Democratic group formed within the Democratic Party, Mackiewicz said it did not suggest anything new but generaly adopted the SD programme.

The SD authorities will try to start dialogue with this group but they will not tolerate organizational divisions which are weakening the effectiveness of the SD activity, he said.

Also today, representatives of the Liberal-Democratic group handed over to newsmen a statement in which they stressed a conservative trend which prevailed in the SD did not give a chance to transform the SD into a party that could win a success during the forthcoming elections.

The Congress did not take adavantage of a chance of electing a new chairman enjoying authentic social prestige, the statement said.

Later in the day, representatives of the Liberal-Democratic group told a press conference here that said they supported another candidate for SD leader, namely, Sejm (Lower House) Deputy Speaker Teresa Dobielinska-Eliszewska (who got 31 votes). The Liberal-Democratic founding group which is composed of 33 people wants to take actions for the renewal of the SD, they said.

National Democratic Party Founded

LD1404214291 Warsaw TVP Television Network in Polish 2030 GMT 14 Apr 91

[Text] The National Democratic Party [Stronnictwo Narodowo Demokratyczne, SND] organizational committee gathered for its inaugural meeting in Warsaw. The committee includes politicians from numerous domestic milieux and representatives of the National Party [Stronnictwo Narodowe] in exile. Antoni Dargas, the chairman, and the Political Committee Chairman, Waclaw Calus, came from London. Jan Zimojski was chosen as SND chairman. In the adopted ideological and political declaration the conviction is expressed of the need to create a strong right in Poland.

SD Extraordinary Congress Opens in Pulawy

LD1204223391 Warsaw PAP in English 2137 GMT 12 Apr 91

[Text] Warsaw, April 12—A three-day, 15th extraordinary congress of the Democratic Party (SD) started in Pulawy today with two hundred delegates attending. They will prepare programmatic proposals for the Party in Poland's changed socio-political situation and elect new authorities. The SD now has some 80,000 members.

Delivering a report and programmatic paper on behalf of the outgoing authorities, Chairman of the SD Aleksander Mackiewicz said that after playing a symbolic role in a coalition that brought about the overthrow of the ruling political system in 1989, the SD started being consistently removed from the structures of authority and from access to mass media.

Does not labelling us a post-communist party stem from the fear of the SD and is not this an attempt to eliminate the SD from political life, Sejm deputy speaker Teresa Dobielinska-Eliszewska, representing the Olsztyn voivodship at the congress, asked.

Tonight, the delegates gave a motion of acceptance to the outgoing SD authorities (with nine votes against and two abstentions) and the debates were continued far into the night.

March Follows Civic Alliance Rally in Bucharest

AU1204202691 Bucharest ROMPRES in English 1952 GMT 12 Apr 91

[Text] Bucharest, ROMPRES, 12/4/1991—Friday [12 April] afternoon at 15:00 hrs a meetings of the Civic Alliance started in Bucharest and other Romanian towns against the government's reform programme and the policy of the power bodies.

In the Revolution Square in Bucharest the meeting is held under the motto "Reform and Truth". At the beginning of the meeting the floor was taken by Vasile Popovici, member of the Timisoara Branch of the Civic Alliance, and by Stefan Stetca, mayor of Sapinta Commune.

In Iasi the meeting of the local branch of the Civic Alliance has started and is held under the mottoes "Truth not Demagogy" and "Democratic Reform, not Citizen's Poverty".

Friday afternoon several thousands citizens of Romania's capital city gathered in the Revolution Square answering the appeals launched by the Civic Alliance to attend a meeting held under the motto "Reform and Truth." According to the organizers' statements, the participants represent various opposition parties, societies, associations and public, apolitical organizations as well as trade unions. Those present carry tricolor banners and panels with anti governmental, anti presidential, anti parliamentary, anti communist and pro monarchist slogans.

The meeting started in a civilized way, the participants have observed so far the appeals made by the organizers to non-violence. The meeting is watched by a large number of Romanian and foreign journalists, photographers and cameramen.

The meeting was opened by Actor Dragos Paslaru, member of the Steering Council of the Bucharest Branch of the Civic Alliance, who welcomed the participants, addressing a new appeal to unity to attain the purposes in the reform programmes of the Civic Alliance. The floor was then taken by speakers in Bucharest and other localities.

At the meeting in the Revolution Square the floor was taken by speakers belonging to various organizations and associations among whom Adrian Marino, Ana Blandiana, Constantin Ticu Dumitrescu, Doina Cornea, who demanded that the unlawful character of the laws and acts having been issued since 1945 till today, the King's abdication act included, be recognized, that the 1923 constitution be reconsidered and monarchy be reinstated for a two-year period, that the parliament be dissolved and early elections be set, that the government resign and a transition government be formed.

Many participants, especially old people, left the square because of a short rain.

Among the speakers was also Mr. Emil Hurezean, from the "Free Europe" Radio, who draw the attention to the presence of Mr. Radu Campeanu.

The meeting organized in the Revolution Square in Bucharest by the Civic Alliance ended at 17:20 hrs and the scheduled march started. At 17:00 hrs. [sentence as received] The participants were asked to organize a march to the Romanian Television Headquarters where to demand the resignation of its present executives. Appeals were made to a peaceful march.

The ROMPRES correspondents inform that at this time in 18 of the 23 towns where meetings of the Civic Alliance were organized those actions concluded. In five towns the meetings continue attended by citizens whose number varies between 200 and 500 persons. In Pitesti, Arges County, the meeting could not be held because of the lack of participants.

In Bucharest the meeting attended by several thousands people concluded. The scheduled march is under way.

Before starting the march, the audience was addressed by Mr. Sergiu Cunescu, president of the Social Democratic Party, by Mr. Radu Campeanu, president of the National Liberal Party, and by Mrs. Simina Mezinceanu, a person of ex-King Mihai's suite, who upheld the necessity of his return to Romania.

A speaker at the meeting proposed the representatives of the parties present stop attending parliament sessions starting the next day.

At 17:30 hrs the marchers headed for Victoria Square and the Romanian Television House where a motion is going to be read. Every speech was punctuated by slogans against the president, the government, Parliament, communism and the National Salvation Front, as well as—for the first time at a meeting of that kind—against Patriarch Teoctist. Pro-monarchist slogans were also shouted. Although some speakers asserted the Civic Alliance had an alternative ready for the future elections, including the administration, the executive, the judiciary, no concrete solution was advanced at the meeting.

The participants in the meeting organized in the Revolution Square by the Civic Alliance went on Calea Victoriei to the Government's Headquarters. On their way the demonstrators chanted anti presidential, anti governmental and pro monarchist slogans.

At 18:30 hrs the participants in the meeting stopped in Victoria Square to read a motion of protest addressed to the government. The aforementioned slogans were also chanted.

The column of demonstrators continued their way to the television.

It is worth mentioning that the manifestation was held peacefully.

The column of those who took part in the meeting of the Civic Alliance arrived at the Romanian Television station around 19:00 hrs, handing in a protest in the final section of which the resignation of the present management was requested.

The demonstrators decided to organize permanent pickets in front of the studios until the management resigns.

At about 20:00 hrs, the crowd gathered round the television dispersed, with only the picket staying.

[Paris AFP in English at 1948 GMT carries a report on the Bucharest Civic Alliance rally noting the following: "Almost 100,000 people packed the streets of Bucharest with tens of thousands of demonstrators out in several other Romanian cities, in a day of protest Friday organized by the extra-parliamentary opposition group Civic Alliance."

"The goals of the demonstration, expressed by Civic Alliance Leader Mihai Sora, were 'the resignation of President Ion Iliescu, the dissolution of Parliament, and the creation of a transition government pending new elections.'"]

Resignation of TV Executives Demanded

AU1404153191 Bucharest ROMPRES in English 1446 GMT 14 Apr 91

[Text] Bucharest ROMPRES 14/4/1991—The actions of protest organised by the Civic Alliance continued in the vicinity of the Romanian television on Sunday [14 April] morning. Like a day before, when pickets of partisans of the Civic Alliance were present there, on Sunday the protesters demanded the resignation of the television executives whom they were blaming that prevented the free expression of ideas through their policy of programmes.

Antitotalitarian Democratic Forum Holds Conference

Opposition To Withdraw Parliamentarians

AU1304151091 Bucharest Domestic Service in Romanian 1000 GMT 13 Apr 91

[Text] The Third Convention of the Antitotalitarian Democratic Forum of Romania [FDAR] resumed its proceedings this morning. The first part of the proceedings was devoted to an examination of the results of the meeting organized yesterday by the Civic Alliance. Assessing these results, Mr. Ticu Dumitrescu proposed—on behalf of the Civic Alliance's Steering Committee and the Association of Former Political Detainees—that the opposition withdraw its parliamentarians from the Deputies' Assembly and Senate beginning Monday, 15 April. Another proposal was made by Mr. Stelian Tanase, who, stressing that this is the right time for the opposition to take initiatives, emphasized the need to create a united opposition bloc that should propose tangible programs, common lists, and specific names of leaders. In connection with the proposal on reshuffling the government, Mr. Stelian Tanase said that those parties that participate in such a government do not side with the democratic forces.

Discussions followed in connection with the proposal on the withdrawal of opposition parliamentarians and the formation of a united opposition.

Mr. Corneliu Coposu, president of the National Peasant Christian Democratic Party, said that his party decided two months ago to withdraw its parliamentarians, leaving it up to the Central Committee Bureau to decide on the right time to take this measure. By the same token, Mr. Corneliu Coposu said he agrees with the idea of concrete unity among the opposition forces and believes that at this time, and from his party's point of view, one cannot conceive of any cooperation with the current leadership.

Mr. Geza Domokos, president of the Democratic Association of Hungarians in Romania [UDMR], emphasized that a final withdrawal from the Parliament is a serious decision that has to be well thought out, discussed with the UDMR leadership, and approved by it. At the same time, Mr. Geza Domokos pointed out that he agrees with the creation of a united opposition in which the UDMR will participate without any reservation.

The floor was also taken by Messrs. Octavian Popescu as the representative of CADA [Action Committee for the Democratization of the Army] in the Civic Alliance; Nicu Stanescu, president of the Democratic Unity Party; Mihai Grama, president of the Christian Democratic Union; and Otto Weber, president of the Romanian Ecological Party, who agreed to the said proposals.

Likewise, Mrs. Doina Cornea emphasized that formal unity and unity in action of the opposition forces is needed.

FDAR on Opposition's 'Unity of Action'

AU1304151491 Bucharest ROMPRES in English 1136 GMT 13 Apr 91

[Text] Bucharest ROMPRES 13/4/1991—The Third National Convention of the Antitotalitarian Democratic Forum (FDAR), which brings together the major opposition parties, the Civic Alliance and numerous other associations, began Friday, 12 April, at the seat of the Social Democratic Party in Bucharest.

The first day's proceedings were interrupted to enable its members take part in the meeting staged by the Civic Alliance.

The Forum's spokesman, literary critic and aesthetician Adrian Marino stated, for the opposition daily "ROMANIA LIBERA," that the summoning of the third convention shortly after the second was motivated by the wish of the 19 parties and civic organisations composing it to

implement, with speed and in facto [as received], their unity of action, including the possibility of candidating on common lists in the next elections.

The participants in the yesterday's demonstrations called by the Civic Alliance in Bucharest and many other towns demanded the resignation of the present authorities and anticipated elections under a transition government.

The conclusions of the convention will be made public at a press conference, Sunday, 14 April.

Joint Roles in Future Elections Favored

AU1304170491 Bucharest ROMPRES in English 1553 GMT 13 Apr 91

[Text] Bucharest, ROMPRES 13/4/1991—On the second day of the National Convention of the Antitotalitarian Democratic Forum of Romania [FDAR] the ways and means of the FDAR were endorsed and it was decided that the component political formations participate in the future elections with joint rolls, pursuant to Radu Campeanu's statement the previous day that the National Liberal Party no longer had any reserve in connection with such a participation.

It was also decided that the forum should support in elections the independent candidates nominated by organizations of the civil society, especially by the Civic Alliance.

The representatives of the Christian Democratic National Peasant Party (Corneliu Coposu), the Social Democratic Party (Sergiu Cunescu), the Ecological Party of Romania (Otto Weber), the Hungarian Democratic Party of Romania (Geza Domokos) and the National Liberal Party (Maria Teciu, commissioned by Chairman Radu Campeanu) expressed the firm determination to withdraw the parliamentarians from the two chambers at a time they would deem as fit and which they anticipate to be very soon, stated to ROMPRES writer Mihai Ursachi, member of the Forum's Steering Bureau.

FDAR Convention Ends; Leadership Appointed

AU1404171091 Bucharest ROMPRES in English 1630 GMT 14 Apr 91

[Text] Bucharest ROMPRES 14/4/1991—The proceedings of the Third National Convention of the Romanian Democratic Antitotalitarian Forum [FDAR] concluded in Bucharest on Sunday. It decided to broaden its Steering Bureau from 17 to 27 members. President of the forum was elected Eng. Ioan Manucu (president of the Civic Alliance) and executive vice-president Mr. Aurel Baghiu (Association of the Former Political Detainees). Through the modification of the Statute of the Romanian Democratic Antitotalitarian Forum the presidents of the main opposition political parties (Christian-Democratic National Peasant Party, National Liberal Party, Social Democratic Party, Hungarian Democratic Union of Romania, Romanian Ecological Party, Christian Democratic Union, Democratic Union Party) become automatically vice-presidents of the forum. General secretary is Mrs. Mariana Berinde. The forum's spokesman remains Mr. Adrian Marino.

The convention adopted "The Appeal to the Nation" as document of the national convention which shows that the Romanian Democratic Antitotalitarian Forum reserves its right to act through all legal means until the withdrawal of their own parliamentarians from the two chambers of the legislative.

At the end of the proceedings of the national convention representatives of the Romanian Democratic Antitotalitarian Forum stated to the journalists present at a press conference that in connection with the decision of withdrawing their own parliamentarians from the country's supreme legislative forum Mr. Corneliu Coposu had already taken that decision but left the steering bureau to set the time of its application, Mr. Radu Campeanu stated that such a decision would be taken when political conditions offered no other chance, and Mr. Sergiu Cunescu said that the time of such a decision which he agreed with in principle had not come yet.

Party Leaders Assess Convention Results

AU1404183891 Bucharest ROMPRES in English 1656 GMT 14 Apr 91

[Text] Bucharest ROMPRES 14/4/1991—I consider the national convention an important moment because it achieved the unity of the Romanian opposition made up of political parties, non-party leagues and alliances but open to all political formations which adopt the principle statement of the Romanian Democratic Antitotalitarian Forum [FDAR], states Mr. Corneliu Coposu, president of the Christian Democratic National Peasant Party. Priority targets have been set and we hope their implementation will make possible to get the country out of the political, economic, moral and social crisis it is in now, he specified.

In his turn, Mr. Radu Campeanu, president of the National Liberal Party, said: We reached a common conclusion as far as principled issues are concerned, the targets being common in general. I think the adoption of the appeal represents an important moment in the opposition cohesion which is a positive thing in the current political situation.

Mr. Sergiu Cunescu, president of the Romanian Social Democratic Party, appreciated that the convention of the Romanian Democratic Antitotalitarian Forum was important in the fight for democracy.

The spokesman of the Romanian Democratic Antitotalitarian Forum, Adrian Marino, emphasised that the convention achieved a real unity of action also materialized by the signing by all the important political parties in the opposition of the appeal to the country which represented a genuine platform of the Romanian opposition.

Foreign Ministry Spokesman Holds News Conference

AU1104184791 Bucharest ROMPRES in English 1723 GMT 11 Apr 91

[Text] Bucharest, ROMPRES, 11/4/1991—The Romanian Prime Minister Petre Roman and the American Secretary of State James Baker agreed to meet in Washington in order to examine together aspects of Romanian-American bilateral relations, as well as various international issues of mutual interest, Under-Secretary of State Teodor Melescanu, spokesman for the Romanian Ministry of Foreign Affairs, announced during his weekly news conference. Given some latest changes on the agenda of the American secretary of state, the spokesman added, it was agreed to postpone the meeting to April 16, instead of April 10 as was originally planned. Premier Petre Roman will also meet in Washington and New York with other members of the U.S. Administration, Congress leaders, representatives of U.S. business and mass media circles, and representatives of the Romanian emigration. His informal visit will take place over April 15-17.

Today, April 11, during the weekly Foreign Ministry press conference, Secretary of State Teodor Melescanu informed about the first meeting of the EBRD, a 39-state organisation which comprises Romania as a founding member. Romania's participation in the Bank's capital is 48 million ECU's [European Currency Units].

The inauguration ceremony will be attended by heads of state and government from the member-countries. President Ion Iliescu and Finance Minister Theodor Stolojan were officially invited to attend the ceremony, where President Iliescu is to have talks with other attending heads of state and government, as well as with officials and representatives of political and economic circles in Great Britain.

Referring to the recently adopted UN Security Council resolution on the situation of the Kurds in Northern Iraq, the spokesman of the Foreign Affairs Ministry, Teodor Melescanu, emphasized—during his weekly press conference—the necessity of such a resolution to be adopted by the international forum because of the extremely grave situation of about one million people affected directly or indirectly by the Gulf conflict. The Romanian delegation, Mr. Melescanu said, voted in favor of that resolution and the Romanian Government decided to join the international community's efforts to grant humanitarian aid to the refugees, being once again solid with the international community.

The Romanian Ministry of Foreign Affairs, Mr. Melescanu also said, specially appreciates the idea of setting up the group of United Nations observers and of a disarmament committee based on the Resolution No. 678, this being an important element in consolidating United Nations credibility on a world plane and in proving the international community's consistency in involving itself to ensure the application of the international laws principles.

Mr. Teodor Melescanu also informed that the Romanian governmental delegation headed by Trade and Tourism Minister Constantin Fota now visiting Kuwait included experts in domains of great interest for the process of Kuwait's reconstruction: extinction of oil wells, cleaning of mine fields, constructions, oil processing, etc. The delegation had already many contacts with the relevant Kuwaiti authorities and concrete ways of actions were established for near future. Agreement was also made for the continuation of the Romanian-Kuwaiti bilateral contacts at high level.

During the Tuesday, April 11 Foreign Ministry Press Conference, Secretary of State Teodor Melescanu announced that an Non Governmental Organizations (NGO) Relations Bureau had been set up within the Foreign Ministry. There are about 2,000 non-governmental organizations in Romania.

The Bureau intends to publish a yearbook of the Romanian NGO's, and also to support these organizations in their efforts to make their activity known abroad. Thus, the Bureau intends to organize a seminar, attended by UN or European community experts, where representatives of the NGO's and the Romanian public at large can be informed about the basic principles of non-governmental action and the international experience in the field.

The government's attitude towards these organizations, practically forbidden before December 1989, is based on two essential principles: the strict observance of their non-governmental character (which confers them autonomy, independence and most of all credibility), and support of these organizations, especially at their beginnings.

Consequently, short-term subsidies are envisaged for these organizations, within the existing resources, with priority for those carrying out a profitable activity for Romania's national interests, until they are able to fully support themselves.

PNT-cd Stand on FSN Reshuffling Communique

AU1204163491 Bucharest ROMPRES in English 1514 GMT 12 Apr 91

[Text] Bucharest, ROMPRES, 12/4/1991—Commenting upon the National Salvation Front's statement revealing prime minister's intention to reshuffle the government this month, Mr. Corneliu Coposu, president of the Christian-Democratic National Peasant Party [PNTP-cd] (in the opposition), stated that the attitude of his party remained constant, namely not to collaborate with the National Salvation Front [FSN]. He considers that more valid alternatives could be found and that no party could collaborate with the present government. Mr. Coposu considers that the electorate is no longer the same as on may 20, 1990 and "as a logical consequence, the current Parliament should be dissolved," and early elections should be organized by a transition government made up of technocrats who are beyond any political implication.

Roman Chairs Cabinet Meeting on Miners' Issues

AU1304170591 Bucharest ROMPRES in English 1448 GMT 13 Apr 91

[Text] Bucharest, ROMPRES 13/4/1991—A cabinet meeting took place on Saturday [13 April], presided over by Prime Minister Petre Roman, to discuss the crisis in mining industry.

In connection with the claims put forth by the relevant union federations, the government mentions in a press release inter alia:

According to the law, the pay rights and the extras are to be negotiated only by the autonomous companies and commercial companies with the representatives of the employees and to be agreed upon in collective and individual labour contracts. No request for government subsidy without economic cover can be granted.

For mining industry, very sizable pay rights and extras were granted in 1990 precisely based on what the government covenanted with the union federations in this compartment, namely that the respective rights should be strictly correlated with the level of production and labour productivity. Or, the correlation has not been observed in actual fact.

As a result of the situation in 1990 in mining, which led to a drastic drop in ensuring out of domestic production the sources for the generation of electricity and production of raw materials for the non-ferrous metallurgy, the import was necessary of energy and non-ferrous resources worth more than one billion dollars, accounting for some 80 percent of the country's commercial balance deficit.

The government contemplates, on the one hand, the setting as of May 1, 1991, of price ceilings for mining products in line with the world prices, and, on the other hand, the granting, as of July 1,1991, of long-term credits in terms of favour, for retooling, improving labour safety and labour conditions.

In consideration of the possible stopping of certain mining activities and, consequently, of the manpower thus made redundant, the Ministry of Labour and Social Protection, by consultation with the trade unions, will advance to the government, for every entity the production of which is to be desisted, coherent and detailed programs of guiding the personnel to other jobs, of reskilling, especially for youth, and of retirement for the persons who, for reasons of health, can no longer continue activity. The actual implementation of these programs shall start on January 1, 1992 at the latest.

TV To Be Changed; Foreign Capital Encouraged

AU1304165991 Bucharest ROMPRES in English 1525 GMT 13 Apr 91

["Mass Media: Toward the Romanian Radiotelevision's Independence"—ROMPRES headline]

[Text] Bucharest, ROMPRES 13/4/1991—A communique signed by the President of the Romanian Radiotelevision Razvan Theodorescu shows that out of the wish to ensure an independent status for the Romanian television, in conditions of its modernization and adjustment to the requirements of the market economy, the institution's administration board has decided the following:

1. Preparation of the material and legal conditions for the setting up—in view of administration of the Program 2 of the Romanian television—of a joint company with state and private, Romanian and foreign capital, based in one of the TV studios in Bucharest, Moliere Street. That studio is to be arranged and equipped, with the necessary extension of the broadcasting network, by collaboration with the Ministry of Communications to cover some 80 percent of the national territory (in point of population).

2. To encourage the participation of foreign capital, technical assistance and management in the abovementioned company and in the updating of the equipment of the program 1 of the Romanian television—which will be organized as autonomous company when the audiovisual bill is passed—intervals for commercial advertisement and various other broadcasts, in negotiable limits, should be temporary assigned on that program to Romanian and foreign private partners, contingent upon their share of participation. It is roughly estimated that the financial resources required for the projects for both programs would be of about 15 billion lei and some 250 million dollars. These sums, as well as all the other terms entailed by the accomplishment of these projects are to be negotiated by the end of May, 1991, based on offers from Romanian and foreign partners, in keeping with the plan of activities that will be supplied to the interested persons by the Romanian television after April 20, 1991.

Foreign Investment Law: 'Generous, Competitive'

AU1304152791 Bucharest ROMPRES in English 1416 GMT 13 Apr 91

[Text] Bucharest ROMPRES 13/4/1991—Foreign investors may now come to Romania: Here is the law that will defend their rights and stimulate their interest.

The law regulating foreign investments was approved by Romania's Parliament and promulgated by President Ion Iliescu and it was released to the press Friday, April 12. The law proves generous and competitive as compared to what other countries have in the field. It combines the three fundamental principles guiding the Romanian state's policy regarding foreign investments in Romania: Equal treatment of national and foreign investors; free access of foreign investors to domestic market and to various economic sectors; minimum interference of the state with foreign investors' activities. The law also stipulates the rights, facilities and guarantees given to foreign investors, such as the possibility to pass over their contractual rights and obligations to other Romanian or foreign investors; to transfer abroad their hard currency profits as well as a share

of their annual profits in lei amounting to 8-15 percent of the contribution in cash or in kind to social capital, to be exchanged to hard currency by the Romanian Bank for Foreign Trade or other authorized banks; to transfer abroad amounts resulting from copyrights, expert assistance, expertise and other services. The law also allows the transfer abroad of hard currency amounts resulting from total or partial sales of shares, social shares, bonds or commercial papers, from selling off investments or other rights.

Foreign investors are duty exempted for equipment and machinery considered to be part of invested capital. Duty free will be also for a period of 2 years all raw materials, materials and components brought into Romania and used here for production purposes. Foreign investors will be exempted from the tax on profit for 5 years for investments in industry, agriculture and constructions, for 3 years for investments in exploitation of natural resources, communications and transport and for 2 years for investments in trade, tourism, banking, insurance and other services.

After expiry of the above-mentioned period, the tax on profit will be reduced by 50 percent if the amount is spent on expanding and modernizing the technico-material base, on manufacturing technologies and on environmental protection. The tax will be reduced by 25 percent if one of the following conditions applies: 50 percent of the raw material, energy or fuel required is imported; 50 percent of products or services are exported; 10 percent of the amount is spent on scientific research, technological development and personnel training; 50 percent of machinery and equipment for the investment project is purchased from Romania or at least 50 new jobs are created.

Foreign investments in Romania are guaranteed by law. They cannot be nationalized, requisitioned or be subject to any other similar measures except for public interest and with paid damages corresponding to the value of investment. Foreign investors will benefit from the juridical conditions in accordance with the law, regardless the citizenship or nationality of the foreign investor.

President Iliescu on Reform, Treaty With USSR

AU1204092191 Bucharest ROMPRES in English 0037 GMT 12 Apr 91

[Text] Bucharest ROMPRES, 12/4/1991—The Treaty of Good Neighbourhood and Friendship Romania has recently signed with the Soviet Union, President Ion Iliescu said, is "a document noble by its content, free of everything having dominated the old treaties and is based on the principles governing contemporary international relations," it is "a modern document of reference" mirroring the essential changes both in the two signatory countries and in other countries.

Referring to certain erroneous comments upon the aforementioned treaty, President Iliescu appreciated that it was not signed in a hurry and it did not mean a mortgaging of the country's future. On the contrary, he emphasised, it opens the possibility to develop new-type relations with our conationals across the Prut. In President Iliescu's opinion the treaty reflects, at the same time, the processes taking place in the USSR in present, offering the opportunity of establishing relations with unional republics.

Then President Iliescu referred to aspects of the current political, economic and social life in Romania. In that context, he underscored that: "Romania has embarked upon an irreversible path both in founding the state of law and in passing to the market economy."

Specifying the "real, actual" difficulties confronting Romania in implementing the reform—the lack of power, raw materials and hard currency resources—President Iliescu showed that, however, a certain - although not spectacular - progress could be seen in March, 1991 in the domain of more active production processes in various economic branches and sectors.

In connection with the way in which the economic reform had been conceived in Romania, President Iliescu rejected the critical remarks according to which price liberalization would not have preceded privatization. To this end, he appreciated that both Romania's and its neighbouring countries' experience had showed that privatization was a difficult, long process. In Romania, he said, price liberalization appeared as an "objective necessity." "The old system of state-subsidized non-profitable economic branches to the detriment of profitable branches could no longer exist," Mr. Iliescu said.

Referring to the recent opinion polls, President Iliescu appreciated that the decreased popularity of the president, of the prime minister and of the government party was to be expected taking into consideration the difficult conditions in which they had to act.

President Iliescu disapproved the recent instances of intolerance, of slandering, the aggressive tone which had been heard, recently in particular, even in the National Salvation Front, considering that all this prevented the union of all competent forces in the country's interest.

In the current stage, President Ion Iliescu emphasised, the National Salvation Front should become the promoter of the offensive against corruption, black-marketeering, thefts, declaring in favour of a more severe legislation concerning such phenomena.

At the end of his interview, Mr. Iliescu made an appeal for achieving a climate of conciliation, of tolerance, for engaging all competent forces in the struggle for the country's interest.

Views Recent Visit to Moscow

AU1204104291 Bucharest ROMPRES in English 0923 GMT 12 Apr 91

["President Iliescu's Televised Interview: The Treaty With the Soviets Does Not Pledge Our Future"—ROMPRES headline]

[Text] Bucharest ROMPRES, 12/4/1991—President Iliescu considered his recent visit to Moscow, his talks with President Mikhail Gorbachev and with Boris Yeltsin, president of the Russian Federation, and, first of all, the signing of the Treaty of Good Neighbourhood, Cooperation and Friendship between Romania and the Union of Socialist Soviet Republics as a very important political act. The text of the treaty, emphasized President Iliescu in a televised interview on 11 April, proves it is a really new document, free of what was characteristic of the previous treaties, of their ideological and military aspects.

The treaty is based on the principles to be found in today's international treaties, on the principles of the UN Charter, of the Helsinki Final document, of the Paris Charter, as concerns the relations between European states. By its structure and contents, the treaty is a modern document of reference, as was noticed by a number of political observers and analysts, specified President Iliescu.

As for the criticism as regards the haste in concluding the document, President Iliescu said its drawing up took one year. Last year, talks were held in Bucharest with the former Soviet Foreign Minister Eduard Shevardnadze on the necessity of renewing the juridical bases of the relations between the two states, to reflect the changes in the Soviet Union and in Romania, in the whole Europe, as a matter of fact.

The treaty is in keeping with this substantial changes in our two countries and in Europe, that have set interstatal relations on an essentially new basis. In fact similar treaties have been prepared with many other countries, with our neighbours, with other European countries, negotiations have been initiated with very many states. In its turn, the Soviet Union has been negotiating similar treaties, with similar contents, and along the same line with the treaty signed with us.

Referring to the territories occupied by the Soviet Union as a consequence of the Ribbentrop-Molotov Pact, it has been said that we have pledged our future. Not only that we don't pledge the future, but the treaty points to new, basic principles that open new possibilities of developing relations with our co-nationals living in the Soviet Union. Like all international treaties, this treaty includes the principles of the inviolability of the frontiers and of the observance of the territorial integrity of states. That is a general European principle, a principle of contemporary international law, an element of stability we are all interested in. It forbids the use of force in inter-statal relations, but not the peaceful settlement of various problems, Romania's president continued.

The essential thing is that the treaty reflects the processes under way in the Soviet Union and it stipulates the possibility for bilateral agreements to be drawn up with all unional republics and of developing local direct relations with economic units, which was well received and was given a concrete form.

In Moscow I called on President Boris Yeltsin and we talked about the drawing up of a bilateral agreement with the Russian Federation. Romania's minister of foreign affairs went to Kiev and initiated a similar agreement. We held talks with the foreign minister of the Republic of Moldova on such an inter-governmental agreement and other issues concerning the development of direct relations.

The remarks I have mentioned before, that we would have pledged our future, concluded President Iliescu, have had no real cause.

Romania has taken an irreversible course, both in point of consolidating the democratic development of the country's political life, of building the state of law, and in terms of economic reform, of the transition to the market economy.

Reiterating this on Thursday night in a televised interview, President Ion Iliescu stressed that the process was not easy at all, but complex and difficult, the hardships the country was living through being real and objective.

In this respect, President Iliescu assessed, unlike 1990, when political confrontations were in the forefront, the year 1991 will be dominated by difficulties in the economic and social life. And this is due not only to the sequels of an overcentralized economy that traversed a profound crisis with multiple deadlocks, but also because the transition itself generates new difficulties, new deadlocks, the Romanian president said.

The president referred to the brakes generated by the shortage of raw materials and energy and, second, by the disruption in the relations among enterprises and branches following the demolition from inside of the pyramid-shaped system of centralized management of the national economy.

[passage missing: ROMPRES reported more to come; information not received]

Toward a Party of "The Untouchables"

I think the FSN should be promoter of the struggle against corruption, purging first of all its own self-seekers, profiteers, stated the president in his Thursday night televised interview.

I think, Iliescu went on, that the Front should impose more decency, more modesty in the behaviour of its own campaigners, of the dignitaries and their families, for conceptions and behaviours which we used to blame the former leaders for have started showing up again. We would not see a revival of the past habits in new conditions, for, the congenial framework does exist. The struggle for power and for money, at such a time of crisis, of unfavourable socio-economic conjuncture, always gains ground. When I disjoined myself from the Front, I told the FSN ought to become the untouchable formation, the president concluded.

Half a Million Unemployed

Unemployment appears in Romania as an inevitable phenomenon, stated President Ion Iliescu Thursday night in a televised interview referring to the thorny social issues generated by the stage the country is traversing.

He estimates that the number of unemployed will go up to 400,000-500,000 this year. He stresses that new difficulties will emerge also for this year's specialty and academic graduates, problems that will have to be anticipated and settled.

In another sequence of ideas, Romania's president stated that a real offensive should be started by the government and the Parliament against corruption. Steps would have to be taken against smuggling scarce products from the Romanian market, steps that should go as far as withdrawing the culprits' passports. President Iliescu considered as justified the demand that the laws against antisocial phenomena like theft, profiteering, corruption in various forms, be made tougher.

Iliescu's Statement Prior to Departing for London

AU1404153091 Bucharest ROMPRES in English 1423 GMT 14 Apr 91

[Report on statement by President Ion Iliescu at Otopeni Airport; date not given]

[Text] Bucharest ROMPRES 14/4/1991—On Sunday [14 April] Romania's President Ion Iliescu left for London to participate at the invitation of France's President Francois Mitterrand and of British Prime Minister John Major in the events organised on the inauguration of the European Bank for Reconstruction and Development. His presence in England's capital city will give the Romanian president the opportunity to hold talks with heads of state and government also attending those ceremonies. Also scheduled are meetings at the House of Commons and at the Confederation of British Industry as well as with representatives of groups and organisations interested in supporting and expanding Romanian-British ties.

Answering questions put by the journalists present on the Otopeni Airport, President Iliescu said: "As is known, still last year we joined the European Bank for Reconstruction and Development. It is President Mitterrand's initiative together with Great Britain. Now the European Bank for Reconstruction and Development is officially inaugurated. It is a kind of European variant of the International Bank for Reconstruction and Development. This inauguration meeting is attended by heads of state and government in all European countries. On the first day all heads of state and government are to make addresses. This also gives the opportunity of meeting with various heads of state present at that meeting. On the second day we shall have interviews at the House of Commons, a meeting with businessmen at the Confederation of British Industry. Therefore, in only two days we shall have a rich programme of bilateral contacts. President Havel proposed a meeting still this evening, on the airport, our programme being very short and busy. Also this evening I shall meet in London with the Romanians in our emigration in that country. Also scheduled are meetings with President Mitterrand, with Premier Major, who are the initiators of this meeting, with Switzerland's president, with Turkey's premier, with Israel's Premier Shamir. There are also other projects which will be finalized tomorrow. Among them I want to mention a meeting with the Netherlands' minister of finance who has expressed his interest in the Romanian reform as well as meetings with the journalists present there.

Also present on the airport was Michael William Atkinson, ambassador of Great Britain to Bucharest.

Meets CSFR's Havel at Heathrow Airport

AU1404192391 Bucharest ROMPRES in English 1908 GMT 14 Apr 91

[Text] Bucharest ROMPRES 14/4/1991—Romania's President Ion Iliescu arrived in London on Sunday [14 April] to participate together with many heads of state and government in the events occasioned by the opening of the European Bank for Reconstruction and Development.

Right on his arrival on the Heathrow Airport Mr. Iliescu held talks with the president of the Czech and Slovak Federal Republic, Vaclav Havel. The opinions exchanged between the two heads of state in one of the airport's official halls covered a large number of aspects concerning the collaboration between Prague and Bucharest, the perspective of those relations in the conditions of the deep changes taking place in the two countries, in the international life in general.

At the end of the talks presidents Ion Iliescu and Vaclav Havel made short statements to the representatives of the ROMPRES news agency and of the Bucharest Radio emphasising the importance of that meeting.

Prime Minister Leaves for Unofficial U.S. Visit

AU1404164191 Bucharest ROMPRES in English 1428 GMT 14 Apr 91

[Statement by Prime Minister Petre Roman issued on 14 April; place not given]

[Text] Bucharest ROMPRES 14/4/1991—On Sunday [14 April] Romanian Prime Minister Petre Roman left for an unofficial visit to the United States.

In a statement made to the press before leaving, Premier Roman said:

"This visit to the United States of America, the first from all points of view because I have never been there before, is the result of the many ties, contacts, interviews, talks I have had lately with various U.S. citizens and

personalities. It is not an official visit, but it includes meetings with senators, congressmen and very important representatives in the American Congress, and an important meeting with Secretary of State James Baker. I remind you that several months ago—namely last September—I received an important group of American senators headed by Mr. Robert Dole who invited me to visit the USA and meet American congressmen, an opportunity I now avail myself of. This visit also gives the opportunity, maybe the first for the Romanian Government, to discuss with the public opinion, the press, and the television in the United States about those questions, which, according to my knowledge, still exist. We are convinced that we can and must prove—as our duty to the democratic process in our country—what this democratic process it has reached consists of and also show that the U.S. support is very important both in the democratic process and our transition to a market economy. If we succeed in doing that, if the American public opinion, the American administration and legislation succeed in forming a more realistic idea about Romania, I consider that this visit fulfils its objective. I am leaving for the United States of America with these thoughts," the premier said.

Melescanu Rejects Bulgarian Pollution Accusations

AU1204090791 Bucharest ROMPRES in English 2030 GMT 11 Apr 91

[Text] Bucharest ROMPRES, 11/4/1991—The Romanian side appreciates as positive the activity carried out by the UNEP [United Nations Environment Program] experts, the conclusions and recommendations in the report recently elaborated by the international mission of experts investigating the pollution problems in the Giurgiu-Ruse area and it is ready to collaborate closely with the Bulgarian side, the UNEP, with other international specialized organisations to apply the measures for the settlement of those problems on the basis of the UNEP report Teodor Melescanu, spokesman of the Foreign Affairs Ministry, stated during his weekly press conference.

Referring to certain totally untrue assertions inserted in the Bulgarian press, the Romanian Foreign Ministry spokesman specified that the foreign experts had visited both platform 1, which had been no longer functioning since 1988 and is being dismantled, and platforms 2 and 3 at the chemical plant in Giurgiu. Platform 4, which the Bulgarian press referred to, does not even exist. The UNEP report could not make any connection between the population's health condition and the leakage of noxae, but Mr. Melescanu further said it gave arguments to prove that the chemical plant in Giurgiu had no influence upon the health condition of the population in Ruse. The causes should be sought firstly in the two industrial areas in Ruse which represent a strong centre of pollution at the ground level. The same industrial units also pollute waters which had been recently observed during French professor Cousteau's analysis of the Danube.

It is surprising, therefore, the tendentious way in which the Bulgarian side presented certain aspects in the UNEP report during last week's press conference organised by the Bulgarian Ministry of Environment, just on the eve of the meeting in Ruse between Romanian and Bulgarian experts aimed at setting up a new joint commission to revaluate the situation in that area in the light of the conclusions and recommendations in the UNEP report and to propose firm measures for the improvement of the environment by means of a computer-assisted system able to permanently monitor that Danube area, the spokesman of the Romanian Foreign Affairs Ministry showed.

Republican Presidents Comments Following Meeting

LD1204125291 Belgrade TANJUG Domestic Service in Serbo-Croatian 2037 GMT 11 Apr 91

[Text] Brdo near Kranj, 11 Apr (TANJUG)—This evening at 2200 in the Hotel Kokra at Brdo near Kranj, the Yugoslav republic presidents began a news conference three hours later than scheduled. All the republican presidents except Alija Izetbegovic, who as we explained had to leave for Sarajevo due to pressing duties, attended the conference.

The news conference with 250 domestic and foreign jornalists follows the all-day meeting between the republican presidents, who discussed the political future of Yugoslavia.

The republican leaders' meeting at Brdo near Kranj is the third such meeting following summits in Split and Belgrade. Negotiations about the country's future are due to continue in Macedonia, Montenegro, and Bosnia-Hercegovina in the next few weeks.

Greeting the journalists, the host of today's talks, [Slovene President] Milan Kucan, explained that the news conference was delayed because "at [Serbian] President Milosevic's request, they were waiting for a communique." Kucan did not specify whether the conference was waiting for a translation of the communique or something else.

Stane Stanic, Slovene secretary for information, then read the communique and journalists were then allowed to ask questions.

A CNN correspondent first noted that settling the Yugoslav crisis, like this evening's news conference, is behind schedule. She asked who is representing the three million Albanians in Yugoslavia. She was also interested to find out when Slobodan Milosevic will sit down with Albanian representatives and start, as she put it, to discuss Serbian-Albanian problems in a civilized manner.

Milosevic first noted that he cannot answer who is representing the three million Albanians in Yugoslavia, and then added that he is the president of the Albanians living in Serbia, of which there are less than two million.

Talks [between the Albanians and the Serbs] have never ended. A large number of Albanians hold public offices and are in constant touch with their republican authorities. There is only one question that cannot be discussed, and that is the territorial integrity of Serbia, Milosevic stressed.

Milosevic said that Kosovo is the heart of Serbia, and a separatistic movement wants to take it away from Serbia and Yugoslavia and join Albania. This has not and will not be discussed either now or in the future.

A Radio Yugoslavia journalist wanted to know why the talks did not consider the economy and whether the presidents today discussed the fate of [Federal Executive Council President] Ante Markovic and the federal government.

The fate of Ante Markovic and the government was not discussed today because it is a matter for the Federal Assembly, Kucan answered. He noted that it is not true that these meetings do not consider economic aspects of the crisis. After all, these issues are the raison d'etre of the talks.

The crisis did not start yesterday and cannot be resolved overnight, Kucan stressed, recalling that the presidents have met only three times. We are trying to resolve the crisis in a democratic, negotiated, and civilized fashion. It could be resolved by force tomorrow, but Kucan made it clear that the consequences of such a solution would take as long to disentangle as it took the crisis to develop.

When asked by a NOVA MAKEDONIJA journalists whether today a step forward has been made in negotiations on the future Yugoslavia, when one part wants to remain in Yugoslavia and the other does not, Macedonian President Kiro Gligorov said: "It is difficult to say whether or not someone wants this". We are discussing how to end a period of our joint life and what our common intersts will be in the future, how to harmonize these interests, and find decisionmaking mechanisms to deal with them. Differences start here: whether this should take place within the framework of a federal state or an alliance of sovereign states. As you can see from the communique, these two options are presented on the basis of certain principles and with certain details. The first discussion on these interests as possible common functions of the future community will be conducted in greater detail and depth at the next meeting, he concluded.

Austrian journalist Karl Gustav Strem asked Serbian President Milosevic whether the Serbian people's right to live in one state extends to other nations, for instance, Albanians, Hungarians, and other European nations. He also asked Milosevic what he thinks about a list of 76-80 Albanians killed by the Serbian police in Kosovo last year.

Certainly no one here would dispute that Yugoslavia is one state, Milosevic replied. He added that when we talk about the Serbian nation's right to live in one state, then we understand their right to live in one Yugoslavia on equal terms with other nations willing to live in it. In this sense, there are no contradictions between Serbian officials' statements.

True, there are no perfect borders in Europe, Milosevic continued; but if this confederal formula for an alliance of sovereign states is implemented, then the Serbian nation will be divided to a greater extent than any other nation in this part of the world. For this reason we cannot accept the confederal formula and believe that Yugoslavia has opportunities to develop as a modern, democratic federation. By far the greatest achievement of today's meeting is that we are a step nearer to what we

have been urging: that those who would be most affected by such a decision, the Yugoslav nations, should decide this. This has to be decided through a referendum, because this is the most democratic way to decide the system and fate of the future Yugoslavia.

He added that the various papers that have been constantly publishing misinformation about tens of Albanians killed exist in Kosovo. Milosevic said that this is absolutely not true and that it can be varified.

A MLADINA journalist asked the Serbian and Croatian presidents whether they intend to insist on their ideas or whether they will make compromises.

Milosevic said that we should persist in advocating a democratic federation. We have, through a joint initiative, set up a team of experts to deal with the current objective problems in Serbian-Croatian relations. We have decided to continue bilateral contacts to resolve key issues and narrow the outstanding questions.

As far as the Croatian stand about an alliance of sovereign states is concerned, Tudjman says, this is neither a personal stand nor a stand of the Croatian political parties, but is a stand enshrined in the Croatian constitution. The constitution defines Croatia as a sovereign state, and its provisional regulations stipulate that Croatia will remain in the SFRY until a new agreement on an alliance of sovereign states is reached or until the Croatian Assembly decides otherwise.

In light of the state's political and economic crisis, we believe that a decision should be made by 30 June; because if the crisis continues, it will bring even greater troubles. We are resolved to seek solutions within the framework of an alliance of sovereign states or in separation.

Replying to a question from a Croatian radio reporter, Kucan said that the moratorium on sending recruits from Slovenia to the Yugoslav People's Army [JNA] was endorsed by the Republican Assembly. Talks have started on this and other outstanding issues between Slovenia and the JNA led by Lojze Peterle, president of the government. This has nothing to do with the stances in the statement from the recent meeting of the Slovene and Serbian leaderships in Belgrade, Kucan noted.

I did not know that the leadership of Serbia was identified with the leadership of the JNA or that it would agree to this, he concluded.

Rather than asking a question, a journalist from SLOBODNA DALMACIJA, speaking on behalf of Split doctors, thanked Croatian Republic President Franjo Tudjman for sending his official plane to Split yesterday so a sick person could receive emergency treatment in a Zagreb hospital. This was of course necessary because it was impossible to pass through the Kninska Krajina region.

How can you conduct talks if some of the participants are issuing an ultimatum—either an alliance of sovereign states or separation—was the question from a POLITIKA journalist to Slobodan Milosevic.

I have to say, Milosevic replied, that I do not know.

A journalist from the Pristina EPOKA asked whether the talks could be compared to the Berlin Congress or the London Conference when, as he put it, accounts were settled at the expense of the Albanian nation.

Responding, Tudjman agreed that in many ways history is repeating itself, often as a farce. Often, he added, not even the politicians learn the lessons from historical events.

We are faced, Tudjman continued, with the effect of international factors and domestic methods but I hope that human rights, democracy, and national rights will prevail. In spite of everything I am reasonably optimistic, Tudjman said.

The EPOKA journalist also asked Milosevic when Serbian politics will rid itself of the mythology of the 19th century and allow Albanians in Kosovo to have their own republic?

The Serbian Republic president said: "We can offer the Albanians equality. They are equal citizens of Serbia. We cannot offer them a state on Serbian soil."

A REUTER reporter asked for Tudjman and Milosevic's views on today's decision by six municipalities in Bosnia-Hercegovina to join the Serbian Autonomous Region [SAO] of Krajina. On Krajina's annexation of the nonexistent SAO to Serbia, the Croatian Republic president replied that the scenarists and extremists who are implementing this idea are forgetting what borders Croatia entered the common state in in 1918. They stretched as far as Zemun, he added, and Boka [Boka Kotorska in Montenegro] was part of Croatia.

Thus, if the border issue is reopened, Tudjman said, then it should be done with all seriousness. The decisions of Krajina's self-appointed SAO, like the decision of Bosnia-Hercegovina's six municipalities to join it, according to the Croatian Republic president, indicate the need for serious talks between Serbia and Croatia. It is extremely important to whether a solution will be found not only for Yugoslavia, but also for this part of Europe.

We are all bound to reach an agreement, Tudjman stressed, and we will not make mistakes that lead to catastrophe and evil. The Croatian Republic president expressed his belief that the extremists will be defeated and a solution will be found in the interests of peace.

Milosevic stressed that the step toward a referendum strengthens the basis for a peaceful solution to the crisis. The reaction of the Serbs in Kninska Krajina is, in his view, the result of the violence that is being committed against them. The crisis can only be resolved comprehensively and the decision on a referendum is of great significance, Milosevic said.

A POBJEDA journalist asked when the frequently heralded attack on Knin would take place and who among the Serbian opposition and the Serbs has asked the Croatian president for help.

Replying to this question, Tudjman first rejected the assertion that an attack on Knin was ever announced. He added that Croatia has shown in its policies that it is striving for a democratic solution, and that in the constitution and with its practical policies it has guaranteed the Serbian population every civil and national right. We have suffered banditry here even at the cost of violating the constitutional and legal system. Then we said that the time had come to defend the constitutional and legal order of the Republic of Croatia, first by legal means; but when this proved to be not enough, then we showed by the examples of Pakrac and Plitvice that we would also defend it by police methods, the Croatian president continued, expressing the hope that the Knin case will be resolved by political means. He added that if necessary, however, we will establish the constitutional and legal order by all possible methods.

He explained that he receives visits from Serbian representatives too, and that Serbs took the initiative in founding the Serbian People's Party that wants to cooperate with the Croatian authorities. Tudjman said that people were sobering up and that the prerequisites exist for this issue to be resolved in a democratic manner. If it is not, we will be forced to resolve it by police methods, not with an attack, but simply by enforcing the legal order, by enabling rail and road traffic, which is important both for Croatia and for Yugoslavia and the whole of Europe, Tudjman said. He added that the authorities will endeavor to ensure that daily life and tourism function normally because, as he explained, even foreign tourists have been threatened.

Elaborating on direct contacts made with him on the dramatic Belgrade night of 9 March, Tudjman said that he was called at his office and at home between 2200 and 0300 [on 10 March] and told that democracy in Serbia was under threat and that the assistance of Croatian democracy was expected. One person called from the Democratic Party and one said that he was an associate of Vuk Draskovic, Tudjman stated. He said he explained that he did not want to intervene but that he was certainly in favor of democratic transformation in Serbia as well. In any case, both Serbian-Croatian problems and the problems in Yugoslavia in general should be resolved democratically. Tudjman said that there were no other conversations.

Replying to a question from a Skopje television journalist on the Macedonian stand on the future system of the country, Kiro Gligorov said that Macedonia advocates an alliance of sovereign states. He explained that if it comes to the process of eventual dissociation, Macedonia advocates that it should be conducted in parallel with an agreement on the functions of the community. Macedonia calls for holding a referendum of citizens in all republics, because we are solving the crisis on the condition that there be on an agreement on the common commitments and rights arising out of our present coexistence, Gligorov continued.

The Yugoslavia that still exists, Tudjman explained, was created by the decisions of AVNOJ [Anti-Fascist Council for the National Liberation of Yugoslavia], with an explicit vote in favor of the creation of a community of equal nations with the right to self-determination to the point of secession. The 1974 Constitution did not permit the implementation of that principle. The overall experience of life together since 1918 is evidence of the fact that our existence in the future can only be contemplated on the basis of an alliance of sovereign states.

The right to self-determination should be the basis on which the Yugoslav crisis is solved, Milosevic added.

A NEODVISNI DNEVNIK journalist asked Milosevic how he views the possibility of a national referendum in Kosovo if the issue of Serbia's territorial integrity is the only issue that cannot be discussed. She was interested to know what Milosevic and Tudjman will do so that the people in the Krajina region stop, as she put it, looking at each other over the barrel of a gun and sit down at the same table.

"The Yugoslav nations' rights are not identical to national minority rights which have their national states," Milosevic said. He added that the Serbian nation is one of the equal Yugoslav nations and, therefore, one should procede from that nation's right to self-determination.

The Serbian president recalled that talks on outstanding issues between Serbia and Croatia have started. These talks must respect national, historical, cultural, and other facts. Outstanding issues should be resolved in a peaceful manner. Talks can be conducted only in the interests of both peoples and the republics of Serbia and Croatia, Milosevic believes. All this is in the vital interests of the Serbian nation, which in my view does not affect the interests of any other Yugoslav nation. The only constraint on the rights of nation is the same rights of another nation, Milosevic said adding that he believes that they will continue to adhere to this principle.

Tudjman replied to a NEODVISNI DNEVNIK journalist that these issues ought to be resolved in the spirit of recognition of civil and national rights of all nations and nationalities. He stressed that the separation of some of Krajina is out of question because it is part of Croatian territory. The Serbian people only form 11 percent of the overall population in Croatia and only 15.6 percent of the entire Serbian population in Croatia lives in the Knin region that Martic and Babic separated in part of Krajina. The Croatian president concludes that what has been happening does not provide a solution to the problem of Serbs in Croatia.

He stressed that he, like Milosevic, hopes that these problems will be resolved within the overall framework of the entire crisis and in the interests of a large majority

of people living in territories not affected, as he put it, by outlaws and violence, and in the interests of the entire Serbian and Croatian nations.

At that moment, Milosevic noted that the problem of Knin should be resolved in the context of a settlement on issues concerning the Serbian people. Tudjman said that this applies to Croatians living in Subotica and other areas outside Croatia.

A Belgrade TV journalist asked Croatian President Tudjman whether he recognizes the sovereignty of the SFRY. She also asked all the presidents who is protecting the interests of Yugoslavia at these talks. She also opined that what some of them have been doing is tantamount to high treason. "Let the lady say where she can hold her own rally," Franjo Tudjman replied. Mila Stula [the Belgrade TV journalist] said: "Mr. Tudjman, whenever you are incapable of answering questions, you are rude."

It is obvious that many things need to be changed in Yugoslavia, Momir Bulatovic said. Montenegro and Serbia are willing to get rid of past deadwood and mistakes, but we think that all our interests can be better and more efficiently realized in a single Yugoslavia.

Bulatovic is very sad because the talks have developed in this manner. We can be happy and satisfied because we have reached an agreement to let the citizens of Yugoslavia and the Yugoslav nations and republics choose between the two options. I cannot stop thinking that today we have embarked on a political adventure the consequences of which we cannot foresee at the moment.

I do not mean the threat to peace and democracy, Bulatovic noted, although we should be concerned about them, too. We have not yet comprehended how this decision will influence the everyday lives of all Yugoslav citizens and what big problems will arise even in areas that are currently problem-free.

A NAS TJEDNIK journalist wanted to find out how Franjo Tudjman views the fact that if Croatia, together with Slovenia, separates from Yugoslavia, the Croatian people will live in at least three states. In that case, would he advocate that the Croatian nation should live in one state?

The Republic of Croatia is the homeland of the Croatian nation, Tudjman answered, and noted that when Croatia was shaping its stand on the Yugoslav crisis it took into account the fact that Croatian people live in two other republics. For that reason, having accepted the Slovene proposal to start the dissociation, we have set our conditions for association in an alliance of sovereign states. If Slovenia separates, we in Croatia have decided not to remain in a remnant of Yugoslavia, because the Slovene separation with the blessing of Serbian political circles, contains a great danger for the fate of the Croatian people.

We believe, Tudjman stressed, that in this case an independent Croatian republic could provide better protection for the rest of the Croatian nation. This would raise the issue of the status of the Croatians living outside the Croatian Republic, Tudjman noted.

A Croatian TV journalist wanted to hear Milan Kucan's prediction on which of the presidents of the Yugoslav republics will send him a telegram on 26 June recognizing the independent state of Slovenia. At the same time he asked Franjo Tudjman when and how the military exercises on the Croatian territory would end. From Slobodan Milosevic he wanted to hear whether the recent Serbian Assembly declaration implied, as he put it, armed assistance to the so-called Krajina.

I expect a telegram from all those who recognize the democratic principles we have been discussing today, Kucan said.

The JNA military exercises on Croatian soil will end, Tudjman assessed, the moment that talks on the Yugoslv state and political crisis are concluded and when the JNA comes into line with the transformations that the Yugoslav community is experiencing. We must nevertheless bear in mind, he added, that both the SFRY Presidency and the so-called headquarters of the Supreme Command—and I say so-called since it is not normal for such an institution to exist in peace time—have stated that the JNA will not intervene in solving the political crisis and that it will recognize any solution which is adopted, even if it is confederal or separation. I hope this will be the case.

It is another matter, Tudjman continued, that we in Croatia are concerned about the actions of individual members of both the active and reserve armed forces. It is essential that the JNA remain neutral and "that there is no use of arms, tanks, and armored vehicles."

The Serbian Assembly declaration for peace and against violence, Slobodan Milosevic said, certainly represents help in resolving the crisis. On the way to resolve the crisis, we have again today proceeded from the fact that Yugoslavia exists, that it is the only subject recognized by international law, and that changes in the Yugoslav system should apply equally to all and be regulated jointly.

A journalist of the Sarajevo OSLOBODJENJE called on all the presidents to "take a step worth $3.5 billion" and to guarantee the security of all foreign and domestic tourists. As far as the Republic of Serbia is concerned, Slobodan Milosevic, who was the first to reply, said: I can answer in the affirmative. And Momir Bulatovic stressed that the Montenegrin coast will be completely secure this year, as always. Kiro Gligorov said that visitors could count on a completely safe stay in Macedonia.

It remains for us to resolve the problem of Knin, Franjo Tudjman stressed, and I have spoken about that already.

If everyone ensures peace, there is no reason why Slovenia should not be safe for tourists as well, Milan Kucan added.

In reply to the question of a journalist from BORBA, on readiness to make concessions from a loose to a more firm confederation, Croatian President Tudjman repeated that it is a question of the sovereignty of the Croatian people and not of a more firm or loose confederation. Slovene President Kucan said that contemporary democratic standards make equality possible even for those nations who cannot live in a state of their own, and he cited the example that the Slovene people also live in three states.

Can the Republic of Bosnia-Hercegovina sleep peacefully after today's meeting, asked a journalist from Bosnia-Hercegovina (who did not give his name), pointing out that he was referring to "appetites for redrawing borders." Milosevic's reply was brief: "The position of Bosnia-Hercegovina can be resolved in only one way—this can be seen from the statement." We have said clearly that we respect the borders within an alliance of sovereign states, replied Tudjman, also briefly, adding that it is up to the people of Bosnia- Hercegovina to decide.

This journalist from Bosnia-Hercegovina asked the Slovene president about the initiative of "the Greens" on autonomy for Styria and whether this could influence the decision on the separation of Slovenia from Yugoslavia. Kucan said that the question of regional autonomy is raised in Slovenia, even though it is not regulated by the republican constitution. He said that he did not believe that this would effect Slovene separation from Yugoslavia.

In reply to a question from an ASSOCIATED PRESS correspondent about "the confusion" of this evening's statement, Kucan said that it can be clearly seen from the statement that Slovenia wants to negotiate and that it does not want to realize its decision on separation to the detriment of anyone else.

According to Tudjman, the document is not confusing because it contains the stands of all the republics and envisages a referendum and deadlines for Slovenia and Croatia if an agreement is not reached. Gligorov said he believes that a step forward has been taken, regarding clearer positions, an agreement on a referendum and on talks on common interests had been reached, and one more set of problems clarified.

Bulatovic "admitted" that the statement is confusing, but, as he said, "it is an expression of an even more confusing situation." Time will tell whether a step forward or backward has been taken, he added. A positive step toward a referendum has been taken, replied Milosevic.

In a reply to question by a Radio Zagreb correspondent that referred to an alleged agreement reached at the Tudjman-Milosevic meeting in Karadjordjevo on resolving the problems of Kosovo and the Albanians, Milosevic said that at this meeting they did not talk—nor did they have reason to talk—about Kosovo. Tudjman also confirmed this, adding that he supports democratic rights of all the nations in Yugoslavia. To an unclear question of a RAI journalist from Trieste on disarmament of illegal military formations—which formations he had in mind was not specified—Milosevic first replied that the Serbian stance that it will not make or accept any illegal moves that do not respect the constitution and the fact that Yugoslavia does exist, is clear. When it was specified that the question was about the armed formations in Knin, Milosevic added that the question itself speaks as an argument that the problem must be resolved as a whole.

To a half-joking concluding question from a journalist on whether there is a possibility of a meeting of the republican leaders taking place in Jajce, the host, Milan Kucan, replied that the most important thing is that there should be peace, and not where the meeting takes place.

Republics Requested To Stop 'Unilateral Acts'

LD1404104791 Belgrade TANJUG in English 0929 GMT 14 Apr 91

[Text] Ljubljana, April 14 (TANJUG)—The governments of the six Yugoslav republics are to reply by April 18 whether they are ready to abolish all unilateral acts which further disintegrate the Yugoslav market and if they are not, legal anarchy and economic chaos will continue, Yugoslav Prime Minister Ante Markovic told the Ljubljana daily DELO today.

The advocates of national policies will have to realize they will strengthen their political power only if the economic reform continues, but if it stops, there will be an economic collapse and a social explosion which will blow them away, Markovic pointed out.

Markovic is to submit to federal parliament on April 19 a new package of government measures and a proposal for the minimum common functions of the federation.

The aim of the measures is to continue the economic reform and enable the functioning of the federal state in the transition period, until an agreement on the country's future is reached.

The prime minister said that the economic chaos cost Yugoslavia over 15 billion dollars in the past six months alone, adding that the gross domestic product dropped by 10 percent.

Despite the financial indiscipline, the federal government curbed inflation, which began to rise late last year, to 5.6 percent in January and was now expecting to reduce it to under two percent in April, Markovic said.

The federal prime minister pointed out that investments into Yugoslavia by its citizens and foreigners nearly stopped owing to the unstable political situation. He said

that 2,900 contracts on foreign investments were signed in the first nine months of 1990, and hardly any since then.

The contracts were to bring nearly two billion Deutschemarks [DM] of fresh capital into Yugoslavia, but the inflow from foreign investments was only 280,000 DM by last fall, Markovic said.

Markovic rejected as unfounded the accusations that his proposal for the common functions of the federation was only a way to impose centralization and uniformity. He said that the federal government was willing to discuss all options, but added that the reform would cost less if all republics implement it, working together rather than each for itself.

He also rejected allegations that he kept alternating his alliances with generals and republican leaders. Markovic said he had often been under attack both from the left and the right, and now "from all sides".

Had I been making compromises, I would not have been in such a position now, he said. Markovic added that he had been offered alliances which he never wanted to accept. He declined comment on the alliances saying that would be still too early.

Mesic: Legitimacy of State Presidency Threatened

AU1204205991 Vienna ORF Television Network in German 2000 GMT 12 Apr 91

[Interview with SFRY Presidency Vice President Stipe Mesic by Otto Hoermann on 12 April; place not given; Mesic statements in Serbo-Croatian with superimposed German translation—recorded]

[Text] [Announcer] Today our correspondent has asked Stipe Mesic whether he thinks that the Army has once again fully subordinated itself to the supreme command of the state Presidency.

[Mesic] I think that the recent events have shown that the Army will not intervene in the solution of political crises, that it will not interfere in the political events, and that it will keep out of everything.

[Hoermann] Vice President, on 15 May you will become president of the state Presidency. In light of the fast developments, is it conceivable that this body will no longer have the same degree of importance, that its importance will decrease, in other words, that, you might be the last president of the state Presidency?

[Mesic] Well, what is sure is that the state Presidency no longer has the legitimacy it should have under the 1974 Constitution, which is still in force, because the Serbian side violated the Constitution in connection with the legal representation of Kosovo and Vojvodina. The legitimacy of the state Presidency is threatened. Therefore, the Presidency is no longer that important. In the future, agreements reached between the republics will be the most important thing. I am not sure that I will be the last all-Yugoslav president, but I might be the penultimate.

Mesic: 'There Will Be No Civil War'

AU1404204091 Zagreb VJESNIK in Serbo-Croatian 7 Apr 91 p 3

[Report on interview with SFRY Presidency Vice President Stipe Mesic by Vojo Lukic; place and date not given: "Mesic: There Will Be No Civil War"]

[Excerpts] We asked SFRY Presidency Vice President Stipe Mesic whether he still believes in a peaceful denouement of the general Yugoslav crisis, which is not worrying only us, but also the entire world public.

[Mesic] I have always been a moderate optimist, and still am even though I am fully aware of the general crisis our country is going through. Democratic processes, which started after the first multiparty elections, have brought to the surface a number of serious problems that have been hushed up through repression for the last 45 years. If we had not held the multiparty elections, all these accumulated contradictions, all this dissatisfaction would have most probably resulted in an even more dramatic situation than the one we have today. Therefore, I think that we should have had the elections much earlier, but this is another topic.

[Lukic] People are concerned, let us not say afraid that a civil war may break out?

[Mesic] There will be no civil war. I think that we are mature and responsible enough as a society to prevent violence and chaos. You see, like other politicians, I also receive many letters, people telephone me, ask to see me.

Last Friday, I was contacted by a group of Serbs from Rijeka who suggested in going to Knin and helping to organize a dialogue so Knin's problems could be resolved peacefully. Of course I supported the initiative proposed by the Serbs from Rijeka. I held extensive talks with people of various nationalities, and they all want peace, they all want to live in as democratic and affluent a society as possible, a society that is a part of Europe, about which we speak so much. Therefore, I think that the people will not allow themselves to be pushed into interethnic clashes because this would be a disaster for all of us. [passage omitted]

[Lukic] How do you find your work in Belgrade, considering the strained Croatian-Serbian relations?

[Mesic] The citizens of Belgrade have indeed received me well. Ordinary citizens greet me in the streets. Last Thursday [4 April], they very cordially greeted Croatian President Franjo Tudjman during his walk through Belgrade's streets, they asked for his autograph, they wanted to talk to him. [passage omitted]

[Lukic] How do you assess the second round of the Yugoslav summit in Belgrade?

[Mesic] Tudjman's initiative that the talks on how to solve the crisis in our country be conducted by the republican presidents has already produced positive results. We can say that a step forward in solving the political future of the country has been taken after the summits in Split and Belgrade after all. This certainly sounds encouraging when we talk about a peaceful way of solving the biggest crisis in Yugoslavia since World War II. In brief, I am more optimistic about a successful solution of the crisis after the Split and Belgrade meetings.

[Lukic] Last Friday you were visited by a German television crew. What did our German colleague ask you?

[Mesic] The same thing you are asking me now. Allow me to make a joke and say that I think that you sound as if you had agreed on what to ask me.

Criticizes Serbian Declaration

AU1504150991 Split SLOBODNA DALMACIJA in Serbo-Croatian 5 Apr 91 p 3

[Text] Belgrade, 4 Apr—At the expanded session of the SFRY Presidency yesterday, Federal Executive Council President Ante Markovic submitted a supplementary report on the results of the negotiations he has had so far with the presidents of all republican executive councils on the federal government's proposal entitled "11 plus three" and concerning the minimum conditions for the functioning of the federation until the political crisis in the country is solved.

At the end of the next week, the same people will discuss this again, and Markovic will meanwhile carry out additional coordination of views with the governments of all republics.

We have learned from reliable sources that a supplementary report on security and situation in Yugoslavia was presented by Bogic Bogicevic, president of the Federal Council for the Protection of the Constitutional Order, at the expanded session of the SFRY Presidency yesterday. During the debate that followed, Stipe Mesic asked among other things how it was possible that the most recent document adopted by the Serbian National Assembly entitled "Declaration on Solving Yugoslav Crisis," mentions the "Serbian Autonomous Region of Krajina" without adding "so-called," that is, without quotation marks.

Regarding the conditions under which it was founded and the status of the people who "proclaimed" it, the Constitutional Court of Croatia proclaimed the region to be nonexistent, Mesic said and asked: "What would happen if the Croatian Assembly, citing the decision the Kosovo Assembly made in the past, called this province a 'republic'?!"

Mesic's question was ignored, however, as if it had not been asked.

Along with Borisav Jovic, representative of the Republic of Serbia to the SFRY Presidency, yesterday's session was also attended by Serbian President Slobodan Milosevic.

Peterle Not Optimistic on Continuing Reform

LD1304115791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1650 GMT 11 Apr 91

[Text] Ljubljana, 11 Apr (TANJUG)—"I see no hope, that is, no foundations on which to continue with reforms as they are conceived by the president of the federal government, Ante Markovic," Slovene Prime Minister Lojze Peterle stated this afternoon on his return from the meeting of the presidents of the republican governments and executive councils with Markovic.

The presidents of the governments of Serbia, Bosnia-Hercegovina, and Montenegro were absent from the meeting, so the debate was not complete. No agreement was reached on a single issue at the meeting, said Peterle at a brief news conference in Ljubljana. Most comments were expressed by the representatives of Serbia, Slovenia, and Croatia, said Peterle.

"Markovic does not accept the established situation and the wishes of the republics for sovereignty, already expressed. The federal prime minister is trying to discipline Yugoslavia on the old bases, working only according to the Yugoslavia variant, without considering the variant of a new agreement in the country," stressed Peterle.

"There is no political consensus on these reforms," he added, stressing that at the morning part of the meeting, at which he was present, only three conclusions were reached: first, that experts should meet and discuss the problem of wages; second, to have separate talks on the process of privatization; and third, that the republican governments should say by 18 April, the day before the session of the Federal Assembly, whether they have decided to withdraw all the measures that have disrupted the Yugoslav market."

It is significant, says Peterle, that the vice president of the government of Bosnia-Hercegovina stated that his republic will not allow confiscation of property owned by people from other republics. The republican governments must also state their views on this issue by next week.

The Slovene prime minister also said that there is no agreement on the federal budget.

Peterle and Croatian Government President Josip Manolic made it known to Markovic that there is no point in continuing the adoption of amendments to the federal Constitution, because this is "an outdated story."

Four republics, said Peterle, not specifying which ones, thought that today's talks did not mean the consolidation of Yugoslavia as federation, but rather an agreement on how to survive the transitional period.

Markovic was also of this opinion, while Peterle, as he told journalists, expressed the view that nominally this can be so, but that in fact it is a question of an atmosphere of preservation, that is, a "mending" of Yugoslavia.

Peterle asked Markovic what he would do if the assemblies did not accept the well-known variant of eleven-plus-three points, but, as he told journalists, he did not receive a reply.

"All the dilemmas remained open," concided Peterle.

'Alternative' to FEC's Economic Program Raised

AU1404192091 Belgrade Domestic Service in Serbo-Croatian 1700 GMT 14 Apr 91

[Slavisa Stojkovic commentary]

[Excerpt] The first official warning to the Federal Executive Council [FEC] came last week from the Economic Chamber of Yugoslavia. The Economic Chamber presented an alternative program for surmounting the economic crisis.

[Stojkovic] The adjective alternative should be treated as if it were inside quotation marks because, as Dagmar Suster, president of the Economic Chamber of Yugoslavia, said, the chamber's intention is more to correct the government's program than to negate it and undermine it. The corrections are divided into several sections. The first one is to improve the liquidity of enterprises by, among other things, changing the dinar exchange rate and by the compulsory settling of multilateral debts. The credit-monetary policy must be uniform and must reduce interest rates, induce savings, and protect the value of the dinar.

Regarding economic relations with other countries, the chamber wants Yugoslavia to start applying a policy that is commonly being applied in the world, the policy of protecting domestic production. It also demands that a limit be imposed on personal incomes. Wages in the industrial sector would be linked solely to profits, and in the non-industrial sector, to the wage trend in the industry.

What is the most urgent task of all this and what kind of effects could be expected? Here is what Dagmar Suster said:

[Begin Suster recording] The realization of the proposed measures—among which absolute stress should be placed on, first, changing the dinar exchange rate, second, reducing interest rates, third, an appropriate credit-monetary policy, and fourth, restricting public expenditure, primarily general and personal expenditure—as an integral part of a general, consistent, and optimally quantified program that would be efficiently managed would yield results that would mean that the set objectives have been accomplished. For the sake of illustration, I will mention only some of these results: improvements in the liquidity of the economy; a reduction in expenditure; an increase in savings; the use of citizens' foreign currency savings; a reduction in interest rates; an increase in exports, in relation to the base period, of course; the protection of domestic production within the limits that exist in developed countries; realistic imports; foreign liquidity with real chances for reprogramming [the repayment of debts] and fresh money; the implementation of the basic functions of the federal state; and a general and efficient social program. Of course, all these partial results would be used to prevent a total collapse of the economy and put a stop to negative trends, and would help the economy and society to survive. [end recording]

What is the current situation in the economy? Assessments differ depending on who is making them. However, even the FEC no longer denies the fact that the situation has been deteriorating since June of last year. The government is talking about sabotage by the republican states, but is ignoring its own inflexibility in implementing what is otherwise a well-thought-out economic policy. The Economic Chamber of Yugoslavia has probably disappointed all those who expected it would come up with a general and completely independent program that would replace the government's program. [passage omitted]

Constitutional Court Assesses Republic Laws

LD1104185391 Belgrade TANJUG in English 1459 GMT 11 Apr 91

[Text] Belgrade, April 11 (TANJUG)—The constitutional court of Yugoslavia today opened a procedure, at the federal prosecutor's proposal, to assess the constitutionality of the Republic of Croatia's criminal code and republican laws on the taxation of the turnover of real estate.

Croatia's criminal code is being disputed because of a violation of the federation's exclusive authority.

The disputed features are: the breaching of Croatia's constitutional order, the threatening of its territorial integrity, the threatening of its independence, the assassination [as reported] of the highest state organs, armed insurrection, terrorism, acts of sabotage and other acts.

The federal prosecutor also asked that the implementation of these articles of the law be banned, as a temporary measure.

The constitutional court of Yugoslavia on Wednesday suspended Croatia's and Serbia's regulations on special taxes for displaying firms' logos and using commercial facilities and real estate. The introduction of these taxes was said to contravene federal law.

The taxes were being paid by Serbian citizens and legal subjects in Croatia and Slovenia, and vice versa. They are now all entitled to claim their tax money.

SDS Blamed For Serb Rebellion in Croatia

AU1404185991 Zagreb VJESNIK in Serbo-Croatian 1 Apr 91 p 2

[Zeljko Luburovic report: "Serbian Democratic Party—A Platform of Terrorism"]

[Text] Who are the direct operational leaders of armed actions by the Serbian rebels in the so-called Serbian Autonomous Region [SAO] of Krajina? There is no doubt that the so-called political activities of the Serbian Democratic Party [SDS] leaders, who have their headquarters in Knin, most precisely indicate where the military headquarters are. This primarily refers to Dr. Jovan Raskovic, the party's president; Dr. Milan Babic, president of the Knin Communal Assembly; Dusan Zelembaba; Jovan Opacic; and Milo Martic, secretary of the so-called Secretariat for Internal Affairs [SUP] of the "SAO Krajina."

There are many facts that align these people with those who do not care about democratic dialogue. Moreover, ever since the SDS representatives walked out of the Croatian Assembly for the first time, it was evident that this party had declared itself in favor of armed rebellion rather than democracy. SDS President Raskovic invited representatives of his party and all Serbs who support him to the Serbian gathering in Srb instead of Zagreb. Raskovic addressed a large crowd of his fellow nationals with the words that the Serbian rebellion starts in Srb. He indeed said that this is a rebellion without arms until a need for any other sort of resistance arises. Soon after Srb, the first Knin barricade was erected and Raskovic told Croatian television that he cannot order his people to return the seized weapons when their lives are at stake. From that time until today, when according to some stories he had retreated to Belgrade leaving his nation to get itself out of what he had pushed it into, Jovan Raskovic has not stopped "sabre rattling." Moreover, he addressed Knin residents gathered outside the Knin garrison by saying that "he had reached agreement with the Army that it would protect the Serbs in Krajina."

Although there have been several indications recently that suggest a split between Raskovic and Babic, even a quick glance at the political work of the president of the Knin commune suggests that this involves the same kinds of politicians. Babic, who was a faithful Raskovic follower, has built his status of an unerring Serb on manipulations that were most often inspired by the idea of protecting Serbhood from the "Ustasha Croatian authorities."

Having suddenly declared himself chief of the so-called SAO Krajina—the second Serbian state in the Balkans—he, being convinced that he will accomplish full sovereignty, shamelessly created his own army, which he called the SUP of the SAO Krajina. As its commander he appointed the most militant Knin policeman, Milo Martic, who became famous last summer when he told a reporter in front of television cameras: "Go back to where you came from and tell them that we will never recognize Tudjman and his Croatia." Finally, he tried to realize his conviction by sending a bus full of members of the so-called Knin special units to defend the recently declared "Plitvicka Jezera Public Company." Having organized the real defense of Plitvice and placed his so-called special unit members in position, he was even ready for—death.

It is now already clear that the well-armed policemen and some of the most extreme residents under Martic's command are nothing but the followers of a certain policy that has with its criminal activities—revealed also in the investigation against Dragan Raznjatovic Arkan—put the Serbian people in Croatia into a state of pathologic fear. There is no doubt that such policy was also created by many others, like Dusan Zelembaba and Jovan Opacic, who were often "pulling the trigger" wherever they arrived. It would be unproductive now to list all the places where these individuals called upon people to use arms because, at the end of the day, weapons have worked, but the question is when will their minds start working!

Croatia Introduces National Guard Corps

LD1204195791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1450 GMT 12 Apr 91

[Text] Zagreb, 12 Apr (TANJUG)—The Croatian government embarked today on an urgent procedure for changing and amending the Law on Internal Affairs of the Republic of Croatia. It foresees the establishment of modern and adequate police authorities that will safeguard and protect, by its internal structure, the constitutional order, public peace and order, and the security of citizens and property.

In addition to the service for the protection of constitutional order, as a separate specialized department of the Internal Affairs Service, police units for conventional duties and the establishment of a national guard corps [zbor Narodne garde] are also planned.

The Guard Corps, in its capacity as a professional, uniformed, and armed formation, is based, as explained, on the principles and rules of military organization and is under the command of the Ministry of Defense. Units of the National Guard Corps will act independently but also together with other security services and they can be used to carry out public security tasks and protect the constitutional order.

The changes to the law envisage that Internal Affairs Ministry workers cannot organize themselves along party lines, nor can they be politically active in the ministry. They also have no right to go on strike.

The government also supported the project of a future law on Croatian citizenship. The aim of this law and its provisions is to make it easier for everyone to obtain Croatian citizenship if they want it. Under the law, citizenship can be obtained by one's origin, by birth on

the territory of the Republic of Croatia, by immigration, through marriage with a Croatian citizen, and international treaties. Priority is always given to those applying for citizenship, whereas the conditions for a termination of citizenship are stricter.

A special provision of this law envisages that Croatia's citizens are also citizens of the SFRY so long as this republic is incorporated in it, so by gaining Croatian citizenship one has simultaneously acquired Yugoslav citizenship too. [words indistinct]

Milosevic, Tudjman Meet, Discuss Crisis

AU1504143591 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 15 Apr 91

[Text] We said at the beginning of the cast that there is still no news on the announced meeting between Croatian President Tudjman and Serbian President Milosevic. Well, we have just received the following report:

Milosevic and Tudjman met on the border territory between the two republics today.

They discussed the questions of Yugoslav state and political crisis, and problems concerning relations between the republics. The two presidents exchanged views on the results of the work by a group of experts that they had formed to find solutions for open questions in Serbian-Croatian relations.

The presidents agreed that respect for all interests of the Serbian and Croatian nations should be ensured, and that the use of any form of violence should be avoided.

The presidents also agreed that they will continue the mutual talks.

Reformists Oppose Referendum on Future System

LD1204210791 Belgrade TANJUG in English 1833 GMT 12 Apr 91

[Text] Belgrade, April 12 (TANJUG)—The opposition alliance of refomist forces of Yugoslavia in Serbia today criticized the republican leaders for adopting, at their summit yesterday, the idea about a referendum on the future system of Yugoslavia, assessing that they had not been authorized to do so.

Member of the leadership of this party in Serbia, Brana Milosevic assessed at a press conference that the idea of the referendum is to arrive through votes at a "modern and efficient federation, since Serbs are the most numerous nation in Yugoslavia. Such a state, he added, in which 48 or 49 percent of the population will have been against it, can hardly be democratic, and even less lasting.

Brana Milosevic also criticized the forming of a Serbian National Council and its declaration; assessing that it presents a restoration of the concept of greater Serbia.

Assessing that the declaration considers attacks on parts of the Serbian nation outside Serbia as attacks on the entire Serbian nation, Milosevic underscored that this was actually a war plan by the Serbian leadership, since such national interests cannot be attained in peace.

The Serbian National Council rallies representatives of the ruling party and opposition parties in Serbia, parties of Serbs in Croatia and in Bosnia-Hercegovina, the Serbian Orthodox Church, Serbian scientific and cultural institutions, and independent intellectuals.

Member of the leadership of the alliance of reformist forces in Serbia, Ivan Dauric, who ran for Serbian Republican president, underscored that this council was "yet another attempt at the rehabilitation of the authorities and intellectuals who had been loyal to it far too long."

Assessing this council as an [word indistinct], Djuric said that "democratic national interests cannot be constituted using 19th century methods."

Milosevic's 'Unusually Open' Remarks Reported

LD1204210191 Belgrade TANJUG in English 1824 GMT 12 Apr 91

[Text] Belgrade, April 11 (TANJUG)—The Belgrade weekly NIN carries in its latest issue statements made by Serbian President Slobodan Milosevic, which it views as an "unusually open" expression of Milosevic's political stands. NIN writes that the statements were made by Milosevic in a talk with the presidents of Serbian communes on March 16, a day after Federal President Borisav Jovic dramatically tendered his resignation following an escalation of the Yugoslav crisis. Jovic has, meanwhile, withdrawn his resignation.

"After all, we do live in Europe and I believe (?we should) be able to resolve problems by political means," said Milosevic, analysing the aggravated political situation in Yugoslavia. His previous statement had been to the effect that, if "we have to fight, then fight we shall."

Milosevic said that Slovenians and Croats [word indistinct] to secede from Yugoslavia, but not Muslims. He said that he would under no circumstances give up the idea of holding a "referendum in which the people will exercise... their right to self-determination." According to Milosevic, as quoted by NIN, the only alternative is force. "We must be calm and (?structured) in our dealings...with our partners in talks in the other republics-...but we must be granite hard in our stands," he added.

He emphasized the necessity of "being united on national interests" if Serbia, "which is the biggest and most populous (Yugoslav) republic, is to dictate future developments." [word indistinct] the essential questions are those of the borders within Yugoslavia. "Borders, as you well know, are always (?dictated) by the strong, never by the weak, he emphasized.

In the event of Yugoslavia's disintegration and failure of the Yugoslav Army to carry out its constitutional duties, "Serbia will have to (?act) as an independent state in keeping with its own constitution, which pressuposes its own armed foces," Milosevic said. He assessed that there would be no foreign intervention in Yugoslavia. He expressed the opinion that German unification has "restored the monocentric system in Europe" and that Germany has "begun to gradually impose itself as the future coordinator and leader... Of the future order in Europe."

Serbia, Russia Agree To Form Joint Bank

LD1204181391 Belgrade TANJUG in English 1654 GMT 12 Apr 91

[Text] Moscow, April 12 (TANJUG)—The Yugoslav republic of Serbia and the Russian republic will establish a joint bank which will be in charge of the realization of agreements on the exchange of goods and services between the two republics in 1991.

The value of the exchange should reach at least one billion dollars, according to an agreement signed in Moscow today by Serbian Vice-Premier Velimir Radivojevic and Russian Vice-Premier Gennadiy Kulik.

The agreement envisages that the commodity lists remain open, since the value of the exchange may reach two billion dollars this year, as estimated so far.

The two republics also signed an agreement on cooperation in the fields of culture and education, a protocol on cooperation in agriculture, and paved the way for the setting up of joint firms.

Slovene Poll on Independence, Ties To Austria

AU1204093591

[Editorial Report] Ljubljana DELO in Slovene on 30 March on pages 1 and 3 carries a 1,000-word report by Slava Partlic entitled "Public on Rapprochement With Austria" on the results of an opinion poll conducted in Slovenia on the recent statements by politicians about Slovenia's independence and rapprochement with Austria.

According to the report, this telephone poll was conducted by DELO-Stik on 27 and 28 March among 718 subscribers. The following results of the poll are presented in two charts:

Table 1: "Some statements made by Slovene and Austrian politicians create an impression of a quick rapprochement of Slovenia and Austria. What do you think about that? (a bar chart with figures in percentages)

Some people would like to push Slovenia into Austria's embrace	16.4
What is involved are only good-neighborly relations with Austria, all the rest are malicious imputations	53.8
Any rapprochement with Austria is unacceptable	22.6
Do not know	7.2

Table 2: "A section of the Demos coalition suggests that, in conformity with the decision made at the plebiscite, Slovenia should become independent immediately. What do you think about that? (a pie chart, figures in percentages)

This is a correct decision, because conditions are now favorable for becoming independent	45.3
This is too early because Slovenia is still not prepared	31.2
An unsuitable proposal because negotiations are still under way in Yugoslavia	9.5
Clever perhaps	3.3
A party intrigue	2.5
Since the situation in Yugoslavia is more peaceful, this is an unnecessary upsetting of Slovenia's population	2.1
Do not know	6.1

New 'Non-Party' Weekly Appears in Rijeka

LD1204165691 Belgrade TANJUG in English 1400 GMT 12 Apr 91

[Text] Rijeka, April 12 (TANJUG)—The first issue of a weekly named NOVI TJEDNIK was published today in the Yugoslav north-Adriatic town of Rijeka.

The new weekly was initiated by the publishing house which issues the Rijeka daily NOVI LIST.

In an opening message to the readers, the editorial team of the weekly emphasizes that it wants to publish a non-party regional newspaper which would include both political and entertaining topics, and which would reflect the well known "Mediterranean and Adriatic spirit."

In the midst of a media war in Yugoslavia, NOVI TJEDNIK also sets out that it desires to achieve an "autonomous, professional and reliable approach with the aim of offering a more complete journalistic expression."

Bosnia-Hercegovina Serbs Favor Federal State

LD1104173991 Belgrade TANJUG in English 1235 GMT 11 Apr 91

[Text] Sarajevo, April 11 (TANJUG)—The Serbian Democratic Party of the Republic of Bosnia-Hercegovina today let know the leaders of Yugoslavia's six republics that the Bosnia-Hercegovina Serbs want to live together in a federal state.

The leaders of the six Yugoslav republics are today holding the third of a series of their meetings devoted to Yugoslavia's future order. The meeting is held in Brdo Kod Kranja, Slovenia.

Whereas the republics of Slovenia and Croatia want Yugoslavia to become a confederation, Serbia calls for a federation and insists that all Serbs wish to live in the same state.

Serbs, who constitute the largest nation in Yugoslavia, [words indistinct] their own republic within the Yugoslav Federation, but large numbers of them live in the republics of Bosnia-Hercegovina and Croatia.

Leader of the Serbian Democratic Party of Bosnia-Hercegovina Radovan Karadzic told a news conference today that the Bosnia-Hercegovina Serbs cannot rely on Bosnia-Hercegovina leader Alija Izetbegovic.

Karadzic said that the stands of Izetbegovic, a Muslim, mainly reflect the views of only two parties in the republic—the Democratic Action Party, which rallies Muslims, and the Croatian Democratic Union.

In the talks with the other five republican presidents, Izetbegovic calls for a form of coexistence which would reconcile the federal and confederal concepts. Izetbegovic feels that the republics should be sovereign, but that Yugoslavia, itself, must also be sovereign and in charge of defense, foreign policy, and some basic economic affairs.

Bosnia Leader on Economic Recovery Problems

LD1104173391 Belgrade TANJUG in English 1232 GMT 11 Apr 91

[Text] Sarajevo, Apr 11 (TANJUG)—Prime Minister of the Yugoslav Republic of Bosnia-Herzegovina Jure Pelivan today, while submitting a report on the program of his government up to 1994, assessed that the beginning of the economic recovery will be possible only in two years.

According to Pelivan, the recovery must first be preceded by two years of intensive reconstruction and clearing up of the economy.

Pelivan informed the deputies of the multi-party parliament that the new government inherited a difficult situation. The losses of the economy, social services and pension funds exceed one billion dollars while the foreign debt is twice the sum.

The republican government collected last year's debts from the federal budget, Pelivan said. He added that the republic kept 270 million dinars (18 million dollars) from the basic sales tax and interest rates on loans from the primary issue which belong to the federation, until the federation meets its obligations toward the republic.

Kosovo Democrats Urge Albanian Say in Future

LD1204182391 Belgrade TANJUG in English 1640 GMT 12 Apr 91

[Text] Pristina, April 12 (TANJUG)—Jusuf Budzovi, secretary of the Democratic Alliance of Kosovo, the biggest opposition party of ethnic Albanians, today urged that Albanians be treated as an equal partner in the negotiations about Yugoslavia's future.

Commenting yesterday's summit of the six Yugoslav republican presidents at a press conference today, Budzovi pointed out that "any agreement without Albanians will not be binding for them."

Commenting yesterday's agreement that the fate of the country be decided through referendums in the republics, Budzovi announced that ethnic Albanians would in that case demand that they also organize a referendum to decide "with whom they will live, and how."

Budzovi assessed as non-civilizational the "stand on a referendum in which nations will take part, while others will be treated only as citizens."

Ethnic Albanians are a national minority in Yugoslavia. They account for about 90 percent of the population in the Serbian Province of Kosovo.

The exact number of Albanians is not known. The data from the latest census in 1981 cannot be considered valid now, since Kosovo has the highest birth rate in Europe. Ethnic Albanians claim that there are two million of them in Kosovo Province and three million in the entire country.

If present-day Yugoslavia does not make it possible for ethnic Albanians to hold a referendum, Budzovi said that ethnic Albanians would then demand that right "from those who created Yugosalvia in 1918, and those who recognized it in 1945." A plebiscite would be held "under auspices of the United Nations and the Helsinki Commission."

Budzovi assessed that he could already see "the shapes of a secret agreement between Serbs, Croats and Slovenes about a new ratio of forces and break-up of the country on the basis of a so-called nation-building principle."

Under this scenario, Budzovi was more specific, "the Slovenes can go, and the Serbs and Croats can then retailor the rest of the country as they wish.

Constitutional Court Views Serbian Law on Kosovo

LD1204123291 Belgrade TANJUG in English 1139 GMT 12 Apr 91

[Text] Belgrade, April 12 (TANJUG)—The Constitutional Court of Yugoslavia today instituted proceedings for the assessment of the constitutionality of the Republic of Serbia law on the cessation of the work of the Presidency of the province of Kosovo, which is part of Serbia, at the request of the federal government.

The federal government has requested the assessment of the constitutionality of the respective law, which took effect on March 19 this year, considering that law to be contrary to the federal constitution provisions under

which the republics and provinces have their presidencies, which represent them and exercise other constitutionally defined rights and duties.

Federal Constitutional Court Judge Pjeter Kolja—who has himself called for the assessment of the constitutionality of the Serbian law under which the Presidency of the province of Kosovo has been abolished—today proposed that the court provisionally suspend the carrying out of the decisions taken by the Serbian Assembly in March this year on the relieving of duty of Kosovo's representative in the Yugoslav State Presidency and the election of a new one.

Kolja said all three decisions were contrary to the federal constitution provisions relating to the Yugoslav State Presidency, and that their implementation could do irreparable damage to the work of Yugoslavia's collective head of state and its member from the province of Kosovo.

Gligorov Comments on Presidents' Talks

LD1204193191 Belgrade TANJUG in English 1739 GMT 12 Apr 91

[Text] Skopje, April 12 (TANJUG)—President of the Yugoslav Republic of Macedonia Kiro Gligorov said today that citizens rather than nations should vote at referendums in the republics, as the latter "would imply changes of borders."

Commenting on yesterday's negotiations between the six republican presidents in Brdo kod Kranja in Slovenia, Gligorov said at a news conference that "the door is now being opened to agreement about the common functions of a community which would be acceptable to everyone.

Gligorov said that at their next meeting on April 18 in Ohrid (Macedonia) the republican leaders would review four areas of common interest— an integrated market, the defence of the country, human rights and foreign policy.

The Macedonian president said that Serbian President Slobodan Milosevic would explain in Ohrid how the federal organs will function until the process of negotiations on the country's future organization is completed.

Slovenian President Milan Kucan will speak about the regulation of all international obligations, and Croatian President Franjo Tudjman will set out the role of the international factor in the settlement of the Yugoslav crisis.

The Macedonian president said that before the meeting experts from all republics would present in Skopje their views on all feautures of the referendum.

Gligorov said in case no agreement is reached on a new Yugoslav community and the prevailing interest turns out to be disassociation, Macedonia would make its consent for such a step conditional on the conclusiuon of a parallel agreement on rights and obligations.

Macedonia will insist on this primarily because of Yugoslavia's enormous obligations to the international community, said Gligorov.

Macedonian President Supports Markovic

LD1204180491 Belgrade TANJUG in English 1607 GMT 12 Apr 91

[Text] Skopje, April 12 (TANJUG)—President of the Yugoslav Republic of Macedonia Kiro Gligorov on Thursday said he believed that the Yugoslav Government would get a green light in a possible voting on its confidence in the federal parliament.

"Most deputies, irrespective of parties and republics they represent, would stand by Yugoslav Prime Minister Ante Markovic in a possible voting on confidence in parliament," Gligorov told a press conference.

Commenting on speculations on the republican leaders' consensus to replace Markovic, Gligorov said that he had urged from the very start that the question of the Yugoslav prime minister not be discussed at these meetings as they are not an "institutionalized forum."

"The six republican leaders must not and cannot take the responsibility of an institution in charge of replacing the federal prime minister as the jurisdiction lies with the federal parliament which appoints the prime minister," said Gligorov.

"Two men also cannot agree to replace the federal prime minister," said Gligorov alluding to the meeting of Serbian President Slobodan Milosevic and Croatian President Franjo Tudjman.

Montenegrin President 'Apprehensive' of Referendum

LD1204174591 Belgrade TANJUG in English 1449 GMT 12 Apr 91

[Text] Titograd, April 12 (TANJUG)—Presidency President of the Yugoslav republic of Montenegro Momir Bulatovic has said that he is "a little apprehensive" that the republican leaders have "formally set out on a political adventure to disintegrate" the country by deciding on Thursday to organize a referendum on Yugoslavia's future.

Bulatovic told Montenegrin Radio that he still believed in "reason and dialogue because they are necessary and possible both before and after the referendum on Yugoslavia's political future."

Bulatovic believes that republican leaders should thoroughly analyse the preconditions and consequences of the referendum at their next meeting.

Time and developments will show whether the referendum is a "step forward or backward for Yugoslavia and all its peoples, citizens and republics," said Bulatovic.

March Inflation, Cost of Living Data Reported

AU1404180391 Belgrade BORBA in Serbo-Croatian 3 Apr 91 p 40

[M. Dapcevic report: "Inflation Falls to 3.2 Percent"]

[Text] Belgrade—Yugoslav inflation in March rose by 3.2 percent in comparison to the previous month. Therefore, as the Federal Institute of Statistics reports, retail prices in March increased by 55.9 percent in comparison to the same month last year. In March, the greatest rise in prices was noted in the "service industries" where they increased by 3.9 percent in comparison to February. They were followed by industrial products with a 3.1 percent increase, while the smallest increase, only 1.7 percent, was noted in agricultural prices.

In March, the cost of living in Yugoslavia rose by 3.0 percent in comparison to February, which is 65.5 percent above the level recorded in March last year.

The greatest increase in the cost of living in March was noted in Kosovo where it amounted to 5.0 percent and in Montenegro with a 4.7 percent increase. In Vojvodina the cost of living increased by 4.4 percent in comparison with February, in Slovenia by 4.0 percent, in Bosnia-Hercegovina by 3.8 percent, in Croatia by 3.4 percent, in Serbia with the provinces by 2.1 percent, and in Macedonia by 1.6 percent. The smallest increase was noted in Serbia proper, only 0.9 percent.

The Statistics Institute today announced figures regarding the trend in personal incomes in January of this year, which in Yugoslavia amounted to 5,917 dinars on average. In the country's industry, incomes amounted to 5,485 dinars, and in the non-industrial sector to 7,921 dinars. Average wages in Bosnia-Hercegovina were 4,524 dinars, in Montenegro 5,031, in Croatia 6,370, in Macedonia 4,049, in Slovenia 7,374, in Serbia with the provinces 5,939 dinars, in Serbia proper 6,063, in Kosovo 4,127, and in Vojvodina 5,969 dinars.

January salaries in the industrial sector rose by 3.7 percent in comparison with December salaries, while in the non-industrial sector they rose by 3.6 percent.